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ANNEXES TO THE STRATEGIC FRAMEWORK FOR AFRICA

COVER PHOTO
School girls in Senegal
Photo by Richard Nyberg

ANNEXES TO THE STRATEGIC FRAMEWORK FOR AFRICA

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ANNEX 1: TRANSFORMATIONAL DEVELOPMENT FRAMEWORK

A. DEMOCRACY AND GOVERNANCE

1. SECTORAL FRAMEWORK

Problem Statement: Africa's transformational development countries face a common political development challenge: overcoming a legacy of top-down, highly centralized, and tightly controlled governments dominated by powerful heads of state. Citizens face difficulties in communicating their priorities for reform and holding their elected leaders accountable, which in turn hinders development and allows corruption to flourish. Democratic gains remain fragile, even among top performers.

Sectoral Objectives:

1. Reduce corruption and strengthen the anti-corruption environment
2. Increase civil society's effectiveness in advancing reforms
3. Strengthen institutions of democratic governance and the rule of law
4. Increase participation of marginalized groups in decision-making
5. Increase the fairness of political processes

Rationale: While significant progress has been made in advancing democracy in Africa over the past decade, transformational development states on the continent continue to face enormous challenges, as described in the problem statement. These challenges relate to the consolidation of democratic institutions and practices, and the expansion of political rights and civil liberties, rather than the achievement of an initial transition to democracy. Fortunately, the second-order nature of these problems—and USAID's potential responses—suggests that a minimum level of stability has been achieved, and that forward movement is possible. On the other hand, if the consolidation of democracy fails to move forward, the transformational development states risk sliding backward into conflict or autocracy, as in Côte d'Ivoire and Zimbabwe. Even Africa's top performers are vulnerable to destabilization, given the limited capacity of their fragile new democratic government institutions to respond to their populations' most pressing needs.

1. REDUCE CORRUPTION AND STRENGTHEN THE ANTI-CORRUPTION ENVIRONMENT:

This sectoral objective restates the two key areas of intervention articulated in the Agency's new Anticorruption Strategy, which was developed in part from lessons learned in Africa. The objective is broad enough to encompass responses to both grand (high level) and administrative (petty) corruption. The strategy and this objective also complement the Bureau's Anti-Corruption Initiative.

INDICATORS:

- **Kaufmann & Kraay:** biennial Control of Corruption (CC) index
  - **Indicator:** average percentile ranking of USAID TD countries on CC
- **Transparency International:** annual Corruption Perceptions Index (CPI) score
  - **Indicator:** average score of USAID TD countries on CPI

- Afrobarometer[1]
  - How many of the following people do you think are involved in corruption? President and Officials; Elected Leaders; Government Officials; Police; Judges? (all/most)
  - How well is government handling the following problems: Fighting Corruption?" (very/fairly well)
- State/USAID Measures[2]
  - Has your program helped the government to implement anti-corruption measures? (yes/no=qualitative indicator)
  - Number of people trained in anti-corruption through USAID assistance.

2. INCREASE CIVIL SOCIETY'S EFFECTIVENESS IN ADVANCING REFORMS:
This sectoral objective responds to the need for continued capacity building for USAID's civil society partners as political players in transformational development countries, as well as the opportunities for supporting advocacy and social action around development priorities both in DG and other sectors. Specialized activities such as monitoring, civic education, and grassroots organizing fall within this objective. The objective likewise accommodates the Bureau's Labor and DHRF earmarks.

INDICATORS:

- Afrobarometer
  - Have you contacted officials about some important problem or to give them your views? (often/sometimes)
  - How often do you participate with others to address important problems affecting your community or country? (often/sometimes)
- State/USAID Measures
  - Has the organizational capacity of civil society organizations assisted by USAID been improved over the past year? (yes/no)
  - Has your program helped citizens' concerns be more effectively represented at national and/or local levels? (YES/NO = qualitative indicator)

3. STRENGTHEN INSTITUTIONS OF DEMOCRATIC GOVERNANCE AND RULE OF LAW:
This sectoral objective focuses on developing alternative centers of power capable of serving as checks and balances on a dominant executive branch, as well as bringing government closer to the people. Activities undertaken to meet this objective would include: legislative strengthening, court administration, judicial training, assistance to local government councils, and training for government auditors and inspectors.

INDICATORS:

- **Kaufmann & Kraay:** biennial Rule of Law (RL) index
  - **Indicator:** average percentile ranking of USAID TD countries on RL
- **Kaufmann and Kraay**: biennial Government Effectiveness (GE) index
  - **Indicator:** average percentile ranking of USAID TD countries on GE

[1] Some Afrobarometer questions have been shortened because of space concerns.

[2] Some State/USAID questions have been shortened because of space concerns.

- Afrobarometer
  - What proportion of the country's problems do you think government can solve? (all/most)
  - How satisfied are you with the way your President/Parliament/Regional/ Local Government have performed over the past year? (strongly approve/approve)
  - How much of the time do elected leaders look after your interests and listen to what you say? (always/most)
  - How often are people treated unequally under the law? (never/rarely)
- State/USAID Measures
  - Did your program assist in the creation or implementation of laws, policies, or regulations? If yes, did the legislature/parliament have input? (YES/NO = qualitative indicator)
  - Number of cases brought before USAID sponsored justice centers and resolved.
  - Has your program assisted national governments devolve authorities to local government with corresponding access to financial resources? (YES/NO = qualitative indicator)

4. INCREASE PARTICIPATION OF MARGINALIZED POPULATIONS IN DECISION MAKING:
This sectoral objective underscores the universal challenges that marginalized populations face in enjoying the benefits of democracy and in contributing to its consolidation.

INDICATORS:

- **Inter-Parliamentary Union:** monthly data on women in national parliaments
  - **Indicator**: year-end average percentage of seats in parliament held by women in USAID TD countries
- Afrobarometer
  - Should women have the same chance of being elected to political office as men? (agree strongly/sagree)
  - In our country, women should have equal rights and receive the same treatment as men. (agree strongly/agree)
- State/USAID Measures
  - Number of women and minority candidates elected before/after USAID assistance (qualitative)
  - Number of women and minority candidates on ballots before/after USAID assistance (qualitative)

5. INCREASE THE FAIRNESS OF POLITICAL PROCESSES:
This sectoral objective underscores the need to support electoral processes and political party development in certain transformational development countries. This objective would primarily be funded with ESF resources.

INDICATORS:

- **Kaufmann and Kraay:** biennial Voice and Accountability (VA) index
  - **Indicator:** average percentile ranking of USAID TD countries on VA
- Afrobarometer
  - The way you vote could make things better in the future. (strongly agree/agree)

  - How would you rate the fairness/freeness of last elections? (very/quite)

- State/USAID Measures
  - Did your program assist in the creation or implementation of systems to ensure free and fair elections reflecting popular will? (YES/NO = qualitative indicator)
  - Has your program contributed to the internal democratic development of political parties? (YES/NO = qualitative indicator)

2. COUNTRY PRIORITIZATION MODEL

Transformational Development States and Regionals

		Subregion	Criteria for Prioritization				
			Level of potential positive development impact*	Threats to stability**	Economic need (income level)***	Overall level of priority****	
Uganda	MCA threshold; cusp	EA	2	3	2	7	HIGH
Nigeria	cusp	WA	1	3	2	6	MED
Benin	MCA eligible	WA	3	1	2	6	MED
Ghana	MCA eligible	WA	3	1	2	6	MED
Mali	MCA eligible	WA	3	1	2	6	MED
Senegal	MCA eligible	WA	3	1	2	6	MED
Mozambique	MCA eligible	SA	3	1	2	6	MED
Lesotho	MCA eligible	SA	3	1	2	6	MED
Madagascar	MCA eligible	EA	3	1	2	6	MED
Rwanda	cusp	EA	1	3	2	6	MED
East Africa Regional			**1.83**	**1.67**	**2.00**	**5.50**	**MED**
Sao Tome e Principe	MCA threshold	WA	2	1	2	5	LOW
Burkina Faso	MCA threshold	WA	2	1	2	5	LOW
Cape Verde	middle income	WA	3	1	1	5	LOW
Malawi	MCA threshold	SA	2	1	2	5	LOW
Zambia	MCA threshold	SA	2	1	2	5	LOW
Southern Africa Regional			**2.50**	**1.00**	**1.50**	**5.00**	**LOW**
Kenya	MCA threshold	EA	2	1	2	5	LOW
Tanzania	MCA threshold	EA	2	1	2	5	LOW
West Africa Regional			**1.80**	**1.13**	**1.80**	**4.73**	**LOW**
Mauritania		WA	1	1	2	4	NONE
Guinea-Bissau		WA	1	1	2	4	NONE
Cameroon		WA	1	1	2	4	NONE
Gambia		WA	1	1	2	4	NONE
Niger		WA	1	1	2	4	NONE
Djibouti	strategic	EA	1	1	2	4	NONE
Eq. Guinea	middle income	WA	1	1	1	3	NONE
Gabon	middle income	WA	1	1	1	3	NONE
Swaziland	middle income	SA	1	1	1	3	NONE

* MCA status is proxy indicator for political will to reform. MCA eligible or equivalent = 3; MCA threshold = 2; all others = 1

** The higher the threat level, the higher the priority; countries on the "cusp" between FS & TD = 3; other serous threats to stability=2; little/no threat=1

*** The lower the income, the higher the priority; low income = 2; middle income = 1

**** The sums of these numerical criteria are listed to the left

B. EDUCATION

INTRODUCTION

Education is a key to political stability, economic growth, and poverty reduction.

It enhances the future of children and youth as they prepare to assume their roles and participate in society and the economy. Yet, forty percent of school-age children in Africa do not attend primary school and 46 million African children have never set foot in a classroom.

USAID is a major donor in education, with emphasis on basic education. Basic education is defined broadly to include all program efforts aimed at improving early childhood development, primary education, and secondary education delivered in formal or informal settings, as well as training for teachers working at any of these levels. In this definition, USAID includes training in literacy, numeracy, and other basic skills for adults and out-of-school youth. The uniting factor among these elements is that they help learners gain the basic knowledge and general skills needed to function in life.

Within the realm of basic education, efforts will promote more equitable access to education and improved quality. These factors work together: societies are not enhanced simply by having more learners exposed. The learners need to achieve basic skills, which is why there is increasing emphasis on the quality of the education itself.

To complement long-term efforts to reform education, USAID must provide near-term assistance that will enable African countries to have an immediate impact on the acute challenges of too many out-of-school children, low quality of learning, and lack of teachers and learning materials. A special emphasis is placed on girls' education as achieving equitable access to education requires that gender-based barriers be removed. USAID supports interventions aimed at creating a more equitable learning environment for girls and boys alike.

Workforce development efforts help ensure that future workers gain the specific sills and attitudes they need to become productive employees. Governments can encourage industry associations and the private sector to identify skills that will be needed to help ensure people have employment opportunities. Training providers and future employers can interact to be sure that the content and quality of training programs meet the demands of the marketplace. Corporate tax rules may be modified to recognize training as a business expense and provide tax credit for support given to local schools. Linkages may be established between basic education and workforce readiness skills development programs so that critical thinking skills, work ethics, and personal safety (including HIV/AIDS considerations) may be imparted throughout formal and non-formal education programs.

1. SECTORAL FRAMEWORK

OBJECTIVE 1: PROMOTE EQUITABLE ACCESS TO QUALITY BASIC EDUCATION

This sectoral objective focuses on the accessibility of quality education by all. The objective is broad enough to embrace all levels of government and promote policies favorable to the education system from national to local levels. It also encompasses the quality of education, achievement levels, and enrollment rates.

SUB-OBJECTIVES AND INDICATORS

Increase access to education by marginalized populations.

INDICATORS:

- Number of learners enrolled in USAID-supported primary schools or equivalent non-school-based settings (including literacy programs) disaggregated by sex, level, and by other selected variables (region, urban/rural, ethnicity, religion)

- Number of learners completing the fifth grade disaggregated by sex, level, and by other selected variables (region, urban/rural, ethnicity, religion)

Improve teaching and learning

INDICATORS:

- Number of teachers trained disaggregated by sex
- Number of administrators trained disaggregated by sex
- Number of textbooks developed and/or distributed to host-country schools
- Student achievement in Language/Math (to be developed)
  (See USAID Common Indicators 26.7 for more information)

Build government, non-government, and community capacity to promote, direct, and organize education

INDICATORS:

- Numbers of learners in education systems affected by USAID-supported education policy reforms
- Policy reform impact indicator (to be developed)
  (See USAID Common Indicators 26.5 for more information)

OBJECTIVE 2: IMPROVE ACCESS TO PRODUCTIVITY-INCREASING JOB SKILLS

This sectoral objective addresses the role of education in preparing citizens to be economically productive. It also helps ensure that the public and private sectors have access to a skilled labor pool to create and/or fill jobs

SUB-OBJECTIVES AND INDICATORS

Improve job skills training

- Number of people trained for jobs disaggregated by sex
- Number of people securing jobs after skills training disaggregated by sex (Please note that job-skills training applies to all technical sectors.)

Objective 1 contributes directly to the operational goal statement #1 in the transformational development framework, "foster a healthier, better educated, and more productive population." Promoting access to basic education will help to create both a better-educated and healthier population.

Objective 2 contributes to operational goal statement #1 by helping to create a more productive population by increasing training and skills development, and increasing access to both.

The role of human capacity development is extensive in achieving overall sustainable development goals. Education is empowerment: it prepares people to make informed choices, be critical thinkers, and to be peaceful, productive citizens. Education is a fundamental determinant in earning power and life choices: increases in household earnings, impact on family health status, reduced fertility rates, and a litany of social and economic indicators that facilitate the transformation of the economy and a reduction of poverty depend on human capacity development. An OECD study revealed that an additional year of education beyond 6.5 years yields a raise of 6 percent GDP level or a 1 percent GDP growth rate. However, the years of schooling must measure quality, not just volume. Investments that increase equitable access (e.g., gender, class, ethnicity) to

social services can improve overall living standards even before the full impacts of economic growth are realized.

The negative impact of HIV/AIDS on the ability of African countries to generate the necessary human capacity to meet development goals requires attention by USAID. The teaching corps in Africa, at all educational levels, continues to decrease as more teachers succumb to this disease. Recent studies from southern Africa show teacher attrition tripling over the last five years due to death, sickness, and teachers accepting positions in other sectors. For example, 4,000 teachers died in South Africa in 2004 due to HIV/AIDS, and higher education cannot keep up with sufficient numbers to meet the demand.

The application of the policies over the past decade of decreasing public support for education at all levels in favor of users' fees has implications for the most vulnerable segments of the population, particularly girls from matriculating from lower to higher educational sites. The lack of attainment of universal primary education (UPE) highlights the expected continued educational gap at lower levels that will continue to exacerbate inequalities at higher levels. Additionally, UPE has also increased the demand for education, often at the cost of quality, while further stressing higher education institutions to produce more teachers quickly.

2. COUNTRY PRIORITIZATION MODEL FOR EDUCATION

METHODOLOGY

Knowing the importance of education to development as a whole, it was difficult to prioritize where we would have education programs. We used the following variables to make that determination:

MCA Status: indicated where a country had been classified for assistance. MCA eligible and MCA threshold countries are treated the same and used as a proxy indictor for political will to enhance the social sector.

Expenditure on education as a percentage of gross national product: shows the commitment by the government to education

Net enrollment rates: shows how many are enrolled in school, whether or not they attend regularly

Survival: Shows the students who begin in grade 1 and reach grade 5. This is consistent with overall education indicators used by USAID.

The Africa Bureau has traditionally emphasized basic education and has programs in the following countries: Benin, Democratic Republic of Congo, Djibouti, Eritrea, Ethiopia, Ghana, Guinea, Kenya, Liberia, Mali, Malawi, Namibia, Nigeria, Senegal, Somalia, South Africa, Sudan, Tanzania, Uganda and Zambia. With the prioritization model resulting from the methodology used for this framework, there will be shifts in education funds. We also understand that some countries that emerge as priority countries may choose not to have a focus on education, depending on the strengths and relationships already built between other donors and host countries. Others may want to make a special case as to why they should receive funding to continue or initiate education programs.

Education Sector Prioritization for Transformational Countries: September 2005

Country	MCA Status	exp on ed % of GNP	Net Enrollment	survival	SCORE	Final Prioritization
	2=Threshold 2=Eligible 1=None	1=<3 2=>3	3= <60 2=60-80 1=80+ 0=90+	1=>80 2=60-79 3=<60	green=high orange=med high red=med low	See Asterisk Explanation
Mozambique	2	1	3	3	9	High
Ghana	2	2	3	2	9	
Kenya	2	2	2	3	9	

Malawi	2	2	1	3	8	
Benin	2	2	2	2	8	
Senegal	2	2	3	1	8	
Burkina Faso	2	1	3	2	8	
Mali	2	1	3	2	8	Med High
Madagascar	2	1	2	3	8	
Guinea-Bissau	1	1	3	3	8	
Niger	1	1	3	2	7	
Cameroon	1	2	2	2	7	
Lesotho	2	2	1	2	7	
Uganda	2	1	1	2	6	
Zambia	2	1	2	1	6	
Mauritania	1	1	2	2	6	Med
Nigeria	1	1	2	2	6	
Rwanda	1	1	1	3	6	
Gambia	1	1	2	2	6	
Equatorial Guinea	1	1	1	3	6	
Swaziland	1	1	2	2	6	
Tanzania	2	1	1	1	5	
Sao Tome	2	1	0	2	5	
Cape Verde	2	1	0	1	4	Low

C. ECONOMIC GROWTH

1. SECTORAL FRAMEWORK

OBJECTIVE 1: INCREASE INTEGRATION OF AFRICAN ECONOMIES INTO REGIONAL AND GLOBAL MARKETS

Explanation: Work under this objective would focus on expanding African participation in the global economy by focusing on border and trans-border impediments. Such issues include improving the efficiency of customs services, lowering of trade tariffs and the enactment of other trade-friendly policies that stimulate the development of an efficient and free market. Other areas of intervention would include building local linkages to global markets and improving the capacity of relevant Ministries to comply with international trade agreements, the establishment, verification, and enforcement of international product standards, and improvement of infrastructure (e.g., roads and ports) along important trade routes.

Indicator: growth in African Growth and Opportunity Act (AGOA) exports (excluding extractive industries)

Target (3-5 yrs): TBD

OBJECTIVE 2: IMPROVE GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY

- Sub-objective 1a: Improve Government Effectiveness
- Sub-objective 1b: Increase Transparency

Explanation: Work under this objective would involve improving government capacity, such as through appropriate training of civil servants in key ministries, also improving government effectiveness through financial reform (e.g., fiscal reform, banking reform, exchange rate policy). Work to improve accountability would include increasing transparency such as in budgetary allocations, combating corruption such as through supporting processes to strengthen private sector associations and policy institutes that can hold government to greater accountability.

Indicators: A focus of this work will be to encourage better data collection on these issues. In the meantime, indicators on government effectiveness will include (1) Government effectiveness (Kaufmann and Kraay), (2) the Government Budget Deficit as a percentage of GDP, and (3) Inflation.

The indicator for transparency will be the control of corruption indicator (Kaufmann and Kraay)..

Target (3–5 yrs): TBD

OBJECTIVE 3: IMPROVE PRIVATE SECTOR DEVELOPMENT

Explanation: The purpose of this objective is to help develop an environment that promotes private sector development. This means, addressing the regulatory environment that directly impacts the private sector as well as addressing deficiencies in financial services that help channel private sector investment as well as supporting the development of various types of infrastructure that directly support private sector activity.

Work under this objective would include strengthening the capacity of financial institutions to provide credit. This might include training of bank officials and/or providing resources to support the development of innovative financial products aimed at serving the needs of underserved communities. It might also include work to expand the physical access of borrowers to lending institutions. Supporting the development of sustainable grass roots business associations to complement and partner with government institutions is also a key intervention. . Work under this goal would also include work on the enabling environment such as reducing red-tape barriers that hamper business activity as well as support for increased access to and provision of infrastructure in support of private sector activity (e.g., IT, roads).

Indicators: cost to register a business as a percentage of GNI per capita, domestic credit going to the private sector as a percentage of GDP, MCA regulatory quality indicator.

Target (3-5 yrs): TBD

2. COUNTRY PRIORITIZATION MODEL FOR ECONOMIC GROWTH

PART I. RANKING COUNTRIES

Country rankings were based on White Paper rankings. This is because the White Paper already uses sound economic data and, therefore, it was felt that there was no need to improve upon this approach. Additionally, the White Paper tells us that most of the resources for transformational development countries should be focused on good performers. Thus, good performers are listed as high priority. (Note: This thinking has since been revised within the Agency and any further iterations of the model will reflect this.) The White Paper also states that additional resources for transformational development should be used selectively for fair performers. However, the White Paper also suggests a role for expending resources on top performers. Specifically, it says that "USAID will play an active role in helping these countries make the transition and take full advantage of the opportunity represented by participation in the MCA." Because Africa has a number of top performers and not all of these can be expected to receive MCA resources in the short-term, top performers are therefore listed as medium priority. Fair performers are listed as low priority and weak performers are listed as countries where no EG programs should be carried out.[3]

PART II. DETERMINING WHERE DIFFERENT EG OBJECTIVES SHOULD BE PURSUED

Because of data challenges—specifically, a lack of appropriate and robust economic data to draw from—and given the importance of all three objectives that were identified by the EG Sector Working Group, ***each TD country is to submit a strategy which address all three EG objectives specified above***.[4]

Nevertheless, the following represents a first attempt at defining a model for determining more specifically where different EG objectives should be pursued. However, as previously explained, a more robust set of data will need to be applied in order to make the model operational. Work on this continues.

MODEL METHODOLOGY:

The basic premise of the model is that commitment and **relative** need are the two strongest determinants of where a specific EG objective should be pursued. This, commitment is represented by the placement of a country as either a top, good, fair or weak performer. Relative need is determined according to how well a country ranks in a particular area versus others in a given pool of countries. More specifically, country-specific determinations about objectives to be pursued were arrived at using the FY '05 MCA data. In particular, the following indicators were looked at:

a. Trade

For the trade objective, we looked at the MCA Trade Policy indicator. If a country failed the Trade Policy indicator, then this was designated as an area where the country should pursue work. The trade objective being proposed is somewhat broader than just trade policy (though not as broad as trade capacity building) but it was felt that failing the trade policy indicator was indicative of a more wide spread weakness in the trading system of the country.

b. Governance

The governance objective is divided between two sub-objectives: corruption and policy. If a country failed the Control of Corruption indicator, then this was designated as an area where the country should pursue work. The only exception to this is Mozambique because the MCC has already taken other information on

[3] Although the White Paper categorizes Nigeria as a weak performer, we have still categorized it as low priority, which would imply fair performer status, because of its unique position as a fragile state with elements of transformational development.

[4] Because of Nigeria's special position as a hybrid country (i.e., both a transformational development country and a fragile states country), its designation as a weak TD performer, and the impact of extractive industries on its economy, the Mission's TD EG work is to focus exclusively in governance issues, including macroeconomic reform.

corruption in Mozambique into consideration and has determined that Mozambique has passed the Control of Corruption criterion despite its failure to do so based on the FY '05 MCA indicators.

The policy sub-objective is intended to encompass issues having to do with government capacity and effectiveness which are captured by three different indicators in the MCA data set: Government Effectiveness, Inflation, and Fiscal Policy. We have taken the broadest interpretation and designated a country as needing to pursue work in this area if it has failed any of these three hurdles.

c. Private Sector Development

Originally, the private sector development objective was divided between two sub-objectives: strengthening financial markets and access to credit, and improving the enabling environment for the private sector, specifically reducing red-tape barriers and improving access to, and the quality of, infrastructure in support of the private sector (e.g., roads, IT). The two have since been collapsed into one as many felt that they were too intimately linked to be effectively separated. Discussion on this continues.

Since no appropriate MCA indicator was available, the financial market objective was judged based on domestic credit to the private sector as a percentage of GDP.[5] Note that the median value was calculated, just as with the MCA indicators, using the same set of countries.[6] Countries failing to pass this hurdle were designated as needing further work in the area of financial markets.

The enabling environment objective was judged based on two MCA indicators: regulatory quality and days to start a business. Countries failing to pass either of these hurdles were designated as needing further work in the private sector enabling environment area.

Transformational Development States: Preliminary Model

Country Priority	Obj 1: Increasing Int'l Trade	Obj. 2: EG Government Effectiveness & Accountability		Obj. 3: Private Sector Devel.	
(High)		Effective-ness	Corrup.	Fin. Sect.	Enabling Env.
Burkina Faso	X	X	0	X	X
Kenya	X	X	X	0	X
Malawi	0	X	X	X	0
Rwanda	0	X	0	X	X
Tanzania	X	0	X	X	0
Uganda	0	X	X	X	0
Zambia	X	X	X	X	0
(Medium)					
Mozambique	X	X	0	X	X
Senegal	0	0	0	0	X
Benin	X	0	0	X	0
Lesotho	X	0	0	X	X
Madagascar	0	X	0	X	X
Mali	0	X	0	0	0
Ghana	X	X	0	X	X

[5] Although not a perfect measure, this is more likely to over estimate the weakness of the financial sector rather than to under estimate it, meaning that countries are more likely to have this designated as an area that needs work when in fact it is not than the reverse.

[6] Data for Cape Verde were missing.

Country Priority	Obj 1: Increasing Int'l Trade	Obj. 2: EG Government Effectiveness & Accountability		Obj. 3: Private Sector Devel.	
(Low)					
Eritrea	X	X	0	0	X
Gambia	X	X	X	0	X
Niger	X	X	X	X	X
Nigeria	X	X	X	X	X
Swaziland	X	X	0	0	X
(No)					
Equatorial Guinea	N/A	N/A	N/A	N/A	N/A
Guinea-Bissau	N/A	N/A	N/A	N/A	N/A
Togo	N/A	N/A	N/A	N/A	N/A

X = work should be pursued in this area, 0= work should not be pursued in this area.

D. AGRICULTURE

1. SECTORAL FRAMEWORK

THE DEVELOPMENT CHALLENGE

Hunger in Africa is widespread and getting worse. It is estimated that 33 percent of people in Africa are currently undernourished and that by 2015, Africa's undernourished population will account for 73 percent of the undernourished people of the world. Widespread poverty and hunger often underlie political instability and increase the risk of conflict while contributing to high child mortality rates in many parts of Africa.

Agricultural programs supported by USAID in Africa aim to improve the livelihoods and options of Africans of all ages by reducing the incidence of poverty, especially in rural areas. Though agricultural growth alone cannot achieve this, it will be a major driving force if hunger is to be cut in half by 2015. The agricultural sector (defined broadly, and including livestock, fisheries, forests, water and natural resource management) is especially important because low per capita incomes from agriculture are directly linked to problems of poverty and hunger in Africa. Solving those problems will require an acceleration of agricultural growth combined with multi-sector investments in education, health, and infrastructure. Agriculture as a sector has a strong multiplier effect on other sectors of African economies, so agricultural growth will have a broad-based impact on incomes and economy-wide growth.

Despite ongoing challenges to agriculture, exacerbated by the constantly evolving consequences of the HIV/AIDS pandemic, observable gains have been made over the past two decades. Increasingly, African governments have embraced the value of free markets, reducing the impact of misdirected commodity price and marketing controls, encouraging regional market integration, and welcoming external investment. Food distribution network consolidation, through supermarkets and multinational agro-processing investments, is lowering the cost of food delivery to African consumers while increasing quality. More appropriate technology is being disseminated to farm families, such as low rainfall sorghum varieties and conservation farming for southern Africa's drought prone areas. New business models such as outgrower schemes and vertically integrated commodity chains bring production support to farmers (e.g., agricultural extension, productive inputs, and access to credit) while guaranteeing output sales.

THE USAID RESPONSE

USAID agricultural programs in Africa promote three broad objectives:

- **Enhance Productivity of Agriculture**, including new technologies developed, disseminated, and used
- **Improve the Policy Environment for Agriculture**, including human and institutional capacity for policy formulation and implementation enhanced
- **Increase Agricultural Trade**, including agricultural market infrastructure, institutions, and trade capacity enhanced

For USAID, this is achieved through a mix of program objectives that address a range of mutually reinforcing areas already being addressed through the "Initiative to End Hunger in Africa" and that support the aims of the NEPAD Comprehensive Africa Agriculture Development Programme. These include:

- **Advancing scientific and technological** applications and support services that harness the power of new technology (e.g., information technology and biotechnology) and global markets to raise agricultural productivity, create agriculture-based enterprises and support sustainable land use management.
- Improving the efficiency of, and participation in, **agricultural trade and market systems** for major African products in local, sub-regional, and international markets and the integration of African countries into global markets for agricultural goods and services.
- Promoting and strengthening **community-based producer organizations** to help link business and farmers to create new opportunities that add value, raise incomes, deliver services, and increase the participation of the rural majority in decision-making processes.
- Building the **human and institutional capacity** to shape and lead the policy and research, as well as provide agricultural education.
- Integrating **vulnerable groups and countries in transition** into sustainable development processes.
- Strengthening **environmental management** to conserve and foster the production of environmental goods and services that contribute to economic growth while making agricultural production and water management environmentally sustainable.

FUNDAMENTALS OF THE APPROACH FOR AGRICULTURE

The framework for agricultural programs in Africa is designed to provide momentum for stimulating growth within an entire region; support countries and leaders committed to agricultural growth; accelerate rural small-holder based agricultural growth; build strong alliances and commitment to cut hunger in half; and strengthen linkages with other sectors and initiatives. Key elements of the approach include:

- **Regional Dynamics:** Regional development strategies will complement national strategies to help generate regional growth dynamics. Regional mission platforms can provide the administrative structure for promoting these dynamics – especially for covering non-presence countries.
- **Focus countries:** Investments will focus on countries that will serve as models of success and stimulators of growth, and whose leaders are committed to growth and hunger reduction as priority development concerns. Natural agro-climatic zones and marketing forces across countries will enable positive development spillovers into other countries.
- **Multi-sectoral Approach:** Advances in health, education, infrastructure, environment and public policy management—not just agriculture— are needed to end hunger in Africa. Linkages with other sectors and initiatives, including governance, education, health (HIV/AIDS, diarrhea and malaria prevention), macroeconomic reform, infrastructure development, poverty reduction strategy plans (PRSPs), New Partnership for Africa's Development (NEPAD), and other local, private or multi-donor efforts will be built.

- **Partnerships:** Strong and lasting partnerships among national, regional, rural and private sector entities will ensure sustainable results and impact. The Framework will build alliances and broad-based political and financial commitments among development partners, public and private, in Africa and internationally. GDAs are an example of how USAID can leverage private sector resources and expertise.

- **Efficient use of resources:** The Framework will identify and target development options and opportunities to accelerate rural small-holder-based agricultural growth, leading to more efficient use of resources.

AGRICULTURAL CONTRIBUTIONS TO TRANSFORMATIONAL DEVELOPMENT

No single sector in isolation can solve Africa's social, political, education, public health, and economic growth problems but recent restructuring in the agriculture sector has set the stage for increased competitiveness and higher farm family incomes. As such, agricultural programs contribute directly to the **medium-range goal to increase the number of African countries moving towards middle-income status, with improved standards of living, quality of life, and participatory governance over a 10- to 15-year period**. The mutually-reinforcing sectoral goals for agriculture cited above contribute to achieving both operational goals (and aggregate toward the medium-range goal) of the transformational development framework, though their respective levels of emphasis and the nature of activities pursued vary between the two goals as described below.

MEDIUM-RANGE GOAL:
To increase the number of African countries moving towards middle-income status, with improved standards of living, quality of life, and participatory governance over a 10- to 15-year period.

Indicator: *Household income in cash and in kind (but not changes in asset values), including value of own production consumed, farm and non-farm income, remittances*

Operational Goal #1:
Foster a healthier, better educated, and more productive population

Enhance Productivity of Agriculture *Track to program component # 6*	Improve the Policy Environment for Agriculture *Track to program component # 2*	Increase Agricultural Trade *Track to program component # 3*
Indicator: Financial productivity per unit of land **Definition:** Gross margins per hectare (or animal) for targeted commodities AND total gross margin for the farm	**Indicator:** Market access **Definitions:** Land transport cost per dollar of value of commodity transported; Customs processing time (hours)	**Indicator:** Agricultural trade **Definitions:** Volume and value of international agricultural exports; Volume and value of intra-regional agricultural exports

In the framework for transformational development, agricultural growth, greater food security, and increased rural incomes contribute directly to the first TD operational goal to "Foster a healthier, better educated, and more productive population." While all three sectoral goals play their part and are mutually supportive, program emphasis for this goal falls heaviest in the area of the first sectoral objective, *Enhance productivity of agriculture* (shaded light blue above). The success of market-oriented producers relies on links with wide-ranging networks of scientific research, technological development, and trade and investment systems. Among other things, farmers rely on improved seeds and fertilizers and on information from private entrepreneurs as well as publicly funded agricultural extension programs. Examples of productivity-enhancing program activities include:

- Supporting organizations to disseminate on-the-shelf technology to producers;

- Developing and increasing the use of improved production practices and technologies through research and training, field demonstrations, farmer training, and extension field days;
- Providing training in better harvesting methods, safe handling and storage, market development, and post-harvest processes;
- Adapting agricultural technologies to needs of households affected by HIV/AIDS; and
- Promoting the use of media to inform farmers about production techniques, plant health, markets and prices, nutrition, and how to avoid or live positively with HIV/AIDS.

Strides toward increased productivity will be reinforced by support for adjunct activities under the other two sectoral objectives, *building a supportive policy environment* (e.g., engaging local scientists in public outreach and policy development, strengthening private sector farmer and trading associations, and supporting local governance policies and practices for sustainable natural resources management) and linking producers with market opportunities (e.g., developing commercially-oriented agricultural education, helping emerging commercial farmers identify market opportunities and meet quality standards, and facilitating the importation and local commercial production and availability of improved seed and other productive inputs).

Operational Goal #2:
Increase the effectiveness of African institutions in promoting a vibrant private sector and democratic governance

Enhance Productivity of Agriculture *Track to program component # 6*	Improve the Policy Environment for Agriculture *Track to program component # 2*	Increase Agricultural Trade *Track to program component # 3*
Indicator: Institutional capacity (technology) **Definition:** PIVA score of relevant institution(s)	**Indicator:** Institutional capacity (policy) **Definition:** PIVA score of relevant institution(s)	**Indicator:** Supporting transactions throughput **Definitions:** Value of credit to agribusiness; Value of transactions through new commodity exchanges/cold stores/warehouse receipt systems

Contributing to the second TD goal to "Increase the effectiveness of African institutions in promoting a vibrant private sector and democratic governance," agricultural programs engage largely through the second and third sectoral objectives (shaded light blue above). The second sectoral objective, *Improve the Policy Environment for Agriculture*, acknowledges that good governance is an essential element of the enabling environment for science-based, market-led, sustainable agriculture. Sound economic governance at all levels is necessary to ensure stable and secure operating conditions for market systems and to promote investment needed to overcome market weaknesses. Measures in support of policy environment improvement include establishing national policies to promote private sector investment in agricultural R&D; developing science-based regulatory policies; promoting land reform; establishing environmental management standards; and supporting the extension of agricultural credit and financial services for agricultural producers and traders.

The third sectoral objective, *Increase Agricultural Trade*, responds to the fundamental poverty-reducing linkage between agricultural producers, local markets, and national consumption as well as the fact that a rising portion of producers' harvests enters regional and international markets for processing, packaging, and consumption. International standards for food safety as well as global, regional, and national trade standards place increasing importance on agricultural market infrastructure, institutions, and trade capacity. Programs aiming to increase international trade of African agricultural products might upgrade environmental quality laboratories certifying the quality of exports; strengthen commodity chains linking smallholder agricultural producers, processors, and traders with growth markets; promote private-public partnerships for the expansion of trade opportunities; harmonize regional trade policies, procedures, and legislation; and strengthen regional market and trade information services.

While the sectoral objectives focused on policy and trade contribute most directly to this particular goal, selected *regionally* focused activities that address productivity issues can augment private sector performance and democratic governance. Examples include creating regional information networks in areas of marketing, technical assistance,

and extension services; pursuing regional research agendas and effective partnerships for research coordination and collaboration; and fostering systematic technology exchange across the region.

2. COUNTRY PRIORITIZATION MODEL FOR AGRICULTURE

The Agriculture and Food Security working group prioritized transformational development countries and regional centers for program focus and resource allocation according to the following factors:

- **Participation in the Initiative to End Hunger in Africa (IEHA):** The sector working group developed sector recommendations for program objectives and country focus by building upon the extensive analysis and modeling previously conducted for the development of IEHA. Given the consistency of the framework's agriculture objectives for TD countries with IEHA goals and objectives and the USAID Agriculture Strategy, all IEHA focus countries were automatically placed highest on the working group's priority list. Regional centers play an active role in IEHA and would play a similar role in the strategic framework, so they also automatically rose to the top of the priority list.

- **Country status as a transformational development country:** The working group considered a country's level of performance according to White Paper categories, favoring those countries ranked as MCA-eligible and good performers. Exceptions included South Africa (middle income) and Nigeria (formerly fragile, currently TD/weak performer), which the group included in their recommendations due to the strategically important role both countries play as regional anchors and engines of growth for agriculture and food security.

- **Working group's judgment of potential impact and results achievement**: This consensus judgment was based on participants' technical knowledge of current country programs and agricultural contexts at national and regional levels.

- **Country status in IFPRI country clusters**: This reflects a country's status according to a composite of factors that include levels of child malnutrition, per capita agricultural GDP (influenced by natural endowment and geography factors), and level of security (influenced by factors including climate of political freedom, investment and trade environment, monetary policy, and governance and legal institutions). This factor analysis was conducted by IFPRI as background research for the development of IEHA, sorting countries into categories distinguished by the type of agricultural programs appropriate for each category. At the extremes of the continuum are country types that receive low priority for TD programs, i.e., countries characterized as fragile and countries where a large part of national income is derived from non-agricultural activities and less reliant on smallholder agriculture.

- **World Bank IDA performance quintiles**: These quintiles are based on a combination of the World Bank CPIA (country policy and institutional assessment) and the ARPP (annual review of portfolio performance), overlaid by a seven-element governance factor. Countries in the top quintiles are generally judged to be better performers and stronger candidates for IDA resources.

- **Country commitment to NEPAD Comprehensive Africa Agriculture Development Programme (CAADP):** The working group sought a factor to measure country commitment and political will in support of agriculture. Seeking to capitalize on complementarity between USAID agricultural programs (especially IEHA) and development priorities espoused by NEPAD, the group gave priority to those countries that have currently adopted (or are indicating) a commitment to the CAADP, which among other things calls for national governments of member countries to devote at least 10 percent of the national budget to agriculture. (Additional country commitments are expected in coming months.)

- **Country-level application of earmarks and initiatives:** The working group gave priority to countries currently using earmarked and initiative resources in support of programs.

- **Comparative relevance of agricultural objectives in priority countries**: The working group sought to identify which of the three agricultural objectives made sense in the context and program portfolio of specific

countries. This did not affect their priority rank but reflected where they fell in rank, since highly ranked countries were generally considered eligible for program funds under all three objectives, while less highly ranked countries merited funds for up to two objectives. (This categorization has not yet been vetted by Missions, where more precise judgment of activities and portfolio composition would be possible.)

Agriculture Working Group's Country Prioritization

High	Medium	Low	None
Ghana	Nigeria	Madagascar	Lesotho
Mali	Senegal	Burkina Faso	Cape Verde
Mozambique	Malawi	Benin	Sao Tome & Principe
Kenya	Rwanda	Cameroon	
Uganda		Gambia	
Zambia		Swaziland	
Tanzania		Mauritania	
RCSA		Niger	
REDSO			
WARP			

E. NATURAL RESOURCES/ENVIRONMENT

1. SECTOR FRAMEWORK

Sustainable and equitable management of Africa's natural resources and the protection of the human environment and natural ecosystems are essential to the long-term economic growth of the region, the eradication of poverty, the preservation of peace, the protection of the region's rich biodiversity and the promotion of human health. The continent is richly endowed in natural resources — land, minerals, forests, wildlife, and water – and natural resources will continue to drive Africa's economies for decades to come. Access and control over natural resources is therefore the most important governance issue, especially for rural people, and is at the root of much of the conflict in the region. Attention to natural resources management and environmental protection is fundamental to success in all development sectors in Africa, and is a cornerstone of sustainable development.

OBJECTIVE 1: IMPROVE NATURAL RESOURCE MANAGEMENT AND CONSERVATION ACROSS DIVERSE LANDSCAPES

Natural resources and conservation of biodiversity can contribute significantly to a country's prosperity and development progress. A healthy resource base, with a diversity of plant and animal life and functioning ecological processes, must be managed appropriately to ensure a lasting contribution to human well-being. This requires relevant actions and adoption of sustainable practices from a variety of actors operating in households, communities, markets, businesses, and governments.

Some activities will focus on protecting and conserving natural areas and endangered habitats and/or ecosystems, and combating the illegal harvest of timber and wildlife. This will include developing and protecting parks and protected areas, and will require increased community involvement in managing and protecting local natural resources, and an acknowledgment and understanding of woman's role in managing and utilizing natural resources.

But increasing human benefits from better natural resources management and conservation will also require incorporating improved natural resources management practices into agricultural, business/commerce, and community development. Therefore, USAID programs will promote certification and other methods of encouraging the sustainable harvest of marketable products from forests, savannas, lakes, wetlands and coastal areas. Programs will also encourage agroforestry, soil conservation, small-scale timber production, and other agricultural practices that can increase biodiversity, provide income, and improve the health of natural

resources. USAID programs will search for ways to provide incentives for landowners and communities to conserve and protect natural resources. Such programs could include water use fees to pay for protecting potable water sources, fees for ecotourism, payment for carbon sequestration, etc.

Sustainable resource management and conservation practices can only gain traction when government institutions, NGOs and the business community can transfer knowledge of better practices, and when farmers, landowners and resource users have the security and economic means to adopt improved practices. To foster such appropriate conditions, USAID will promote relevant policy and legal reforms at international, regional, national and local levels; address resource and property rights issues, and strive to ensure that appropriate conflict resolution mechanisms are in place.

ILLUSTRATIVE ACTIVITIES:

Bilateral

- Promote the development and implementation of integrated land/seascape natural resources management programs
- Promote on-the-ground adoption of best practices and technologies for improved resources management, biodiversity conservation and reduced vulnerability
- Develop parks and protected areas with community involvement in natural resources management
- Strengthen the capacity of African institutions to develop and implement integrated land/seascape natural resources management programs

Regional

- Develop transboundary parks, protected areas, and river basin management areas with community involvement in natural resources management
- Strengthen the capacity of regional networks and government institutions in Africa to improve sustainable natural resources management across boundaries at the landscape scale

INDICATORS:

- Number of hectares of natural resources under effective (or improved?) management, disaggregated by:
  - biologically important area
  - forest area
  - watershed area

OR

- # of hectares with improved natural resource management, including forest, agriculture, grasslands, wetlands, freshwater and marine areas

OBJECTIVE 2: PROMOTE EQUITABLE NATURAL RESOURCE GOVERNANCE AND MANAGEMENT OF COMPETING CLAIMS ON RESOURCES

For the millions of resource-dependent households in the world, access to natural resources is mediated by their country's governance arrangements and the presence or absence of conflict. Governance arrangements include institutions and laws; participation rights and representation; the locus of authority; accountability and transparency; property rights and tenure; markets and financial flows and the influence of scientific findings on natural resources decision-making. Conflict may include local disputes, rebel movements, civil war or armed conflict between neighboring countries. Disputes over resource ownership can contribute to conflicts, and natural resources provide the funds to sustain conflicts. Often, illegal resource use and high levels of corruption are involved in long-standing disputes within and across borders. Poor governance and conflicts

have contributed to household vulnerability and resource degradation through the disruption of farming and other economic activities, lack of government-provided services, insecure tenure, political disenfranchisement, corruption, weak rule of law, migration, and natural disasters.

Without greater attention to governance reforms, economic innovations, and new partnerships, it is unlikely that the adoption of sustainable management and conservation practices will be able to keep pace with the forces driving resource use for logging, mining, ranching, farming, fishing, industry, infrastructure, urbanization, and tourism. For example, the local and global relationships between natural resources and corruption are becoming increasingly clear. In addition to the personal gain derived by government officials who tax the ownership, allocation, harvesting, and marketing of natural resources (renewable and non-renewable), revenues from the sale of natural resources is also being used to bolster political support, finance political parties, prop up repressive regimes, as well as supporting rebel movements, civil and cross-border conflicts, and even global terrorism. The reverse is also true: a positive natural resources governance context can often have positive spillover effects by encouraging broader reforms in national and local institutions and legal structures or decision-making dynamics.

Activities under Objective 2 will look beyond corruption, to other important environmental governance reforms that are needed, including expanding basic environmental rights (access to information, decision-makers and decision-making processes, justice, and redress); more participatory approaches to decentralization, structuring multi-level governance arrangements for landscape management; transboundary resource management arrangements, conflict management mechanisms, and improving the advocacy and monitoring capacity of civil society organizations.

ILLUSTRATIVE ACTIVITIES

Bilateral

- Promote nested governance of natural resources, from the local to the landscape scale
- Strengthen participatory governance and decision-making processes about natural resources
- Facilitate adoption of policies that promote improved natural resources management and biodiversity conservation
- Strengthen democratic governance and reduce resource-based conflicts through land tenure reform and property rights activities
- Improve institutional capacity, legal frameworks, and rule of law issues related to natural resources governance, including strategies to combat illegal resource harvesting, concessions, and use

Regional

- Strengthen cooperative transboundary governance of natural resources
- Improve cooperation and coordination within regions on harmonizing legal frameworks and rule of law issues related to natural resources governance, including strategies to combat illegal resource harvesting and trafficking across borders
- Foster transboundary resource management arrangements and dispute resolution mechanisms

INDICATORS:

- Number of groups undertaking landscape-scale sustainable natural resource management or biodiversity conservation.
- # of sustainable NRM and conservation policies, laws, agreements, or regulations implemented
- Number of people with improved access to environmental governance.

OBJECTIVE 3: INCREASE SUSTAINABLE PRODUCTION, MARKETING, AND TRADE OF NATURAL RESOURCE-BASED PRODUCTS AND SERVICES

Natural resources products and services that are sustainably managed can make a significant contribution to long-term economic growth. Progress has been made in linking local enterprise and employment as well as international trade to sustainable conservation and natural resources management activities. Related activities include certification of timber and non-timber forest products, corporate social responsibility, eco-tourism, managed hunting, and a variety of value-added processing schemes.

From economic and democracy perspectives, it is important to find new ways that the public and private sectors can innovatively partner with communities. It is clear that private capital flows now dwarf both donor and public sector resources. An increasing number of diverse stakeholders – ranging from indigenous women who gather non-timber forest products to transnational timber companies and global retailers such as Ikea – are involved in the production and marketing of numerous natural resources products. Policy and market incentives, including certification of sustainable products, can help poor households and communities to benefit from the sustainable production and marketing of natural resources products and services. However, it is also important to develop new types of alliances among public, private, and community stakeholders that leverage more funds for sustainable natural resources management and conservation while ensuring benefits for the poor.

Activities under Objective 3 will refine existing approaches and also develop innovative activities that are attuned with emerging issues related to trade, globalization, and tourism. Efforts are needed to better link market intelligence, technical expertise in sustainable production, extraction and management, and country-specific knowledge for natural resource products and services. Further research is needed to tailor enterprise and employment options appropriate for different settings, including both stable and fragile states. Programs supported under this objective will help to expand public-private-community alliances, partnerships, and networks. They will also expand knowledge about how the economic benefits from natural resources products and services can be shared more equitably among men and women and different social groups within communities.

ILLUSTRATIVE ACTIVITIES:

Bilateral

- Develop innovative sustainable natural resources enterprises
- Promote certification and other methods ensuring sustainable harvest of marketable natural resource products
- Develop and apply new environmentally friendly technologies for existing and new enterprises.
- Encourage innovative natural resource product or service-focused alliances among public sector, private sector, civil society, and community partners
- Link developing country producers of environmentally friendly products with purchasers in the developed world.
- Develop strategies to avoid, reduce, or mitigate the negative social impacts of natural resources enterprises, including tourism.

Regional

Strengthen the capacity of African institutions to address environmental sustainability factors in the development and application of bilateral, regional, or global trade agreements

INDICATORS:

- # of new business development and economic opportunities generated based on sustainable natural resource-based products and services
- $ in monetary value generated from sustainable natural resources or conservation initiatives.

2. COUNTRY PRIORITIZATION MODEL

TIER ONE FUNDING DECISIONS

The first tier of decisions to be reached regarding Africa Bureau environment funding is how much of the Bureau's resources to devote to each of the areas of focus described in the table below. The second column in this table describes the level of emphasis being proposed and the rationale for that emphasis.

Area of Focus	Proposed Emphasis in AFR Env Budget/Rationale
Biodiversity conservation	Approximately 83 percent of the AFR Env budget. Rationale: conservation of biodiversity and habitat is vitally important, but the funding prioritization is driven by the Africa Bureau's Congressional earmark level. Biodiversity conservation activities can and should be designed to address multiple NRM objectives, including the generation of economic benefits and the improvement of natural resource governance.
Natural resource management unrelated to biodiversity conservation ("other NRM")	A small portion of the Env budget (5-10%) should be retained for investment in NRM activities outside of areas that are important for biodiversity conservation. Rationale: the importance of NRM to economic growth in the region and historical investments in successful NRM programs.

TIER TWO FUNDING DECISIONS

The second tier of funding decisions are those to be reached within the major areas of focus described above. With the large majority of Environment funds devoted to biodiversity conservation activities, a framework for the prioritization of those funds is outlined below.

BIODIVERSITY CONSERVATION FUNDING (=83% OF ENVIRONMENT FUNDING)

The following factors and principles should play a role in determining where and how much biodiversity conservation funding should be committed to a given the Africa Bureau mission or regional program:

Primary factors and principles to consider:

- *The relative priority of a given country or region for biodiversity conservation*. The current "biodiversity conservation priority" rating used (low, med, high) is based upon an EGAT/NRM methodology for combining objective data on species richness (mammal and butterflies); endemism (mammal and butterflies); reef and freshwater diversity; level of threat to reefs; and numbers of threatened bird species.

- *Degree of support offered by biodiversity conservation activities to the other programs in the bilateral or regional unit in question*. Factors used in developing this "support" rating are the following:

  – *Historical USAID biodiversity conservation funding levels, together with the current request level, if available.* The historical level of BC funding in any given mission, along with the current year request level, should be the starting point for the estimation of future levels, as this presumably reflects informed funding decisions by mission staff about a number of factors, including opportunity for progress in that sector, the relative support by the host country government in that sector, and long-term investments that would be wasteful to abandon. This does not prevent recommending biodiversity conservation activities where none have existed before, nor reducing or eliminating such activities where they have a long history.

  – *The potential for synergy between BC activities and other programs in a mission or regional program.* For example, USAID/Madagascar's biodiversity conservation activities are integrated with the mission's economic development and governance activities, making for a program that is greater than the sum of its parts. On the other hand, in Sudan, proposed BC activities will be geographically separate from other mission activities, offering little potential for synergy and making those BC activities less effective than they otherwise would be.

- *The opportunity for making progress in biodiversity conservation.* A rating of the degree of opportunity must consider a number of factors related to the country or sub-region in question, such as political will, the presence or absence of implementing partners, etc.

- *The comparative advantage of USAID versus other donors and other organizations.* This is a critical rating that the mission is probably best placed to evaluate. For example, South Africa would probably be rated a high priority for investment in biodiversity conservation, except for the fact that USAID does not have a particular comparative advantage in that sector in that country.

Other Considerations:

The appropriate "scale" at which to undertake BC activities. One principle advanced by the recently-completed Millennium Ecosystem Assessment is that "scales of [natural resource] management need to be matched to ecosystem processes," many of which extend beyond national borders. Likewise, USAID may need to conduct NRM activities, or at least coordinate them, more at a sub-regional level. The vast majority of USAID's biodiversity conservation activities in Africa are based in national programs, with the notable exception of the Central African Regional Program for the Environment (CARPE). CARPE addresses threats to the forests and biodiversity of Central Africa by seeking "improvements in local, national, and regional capacity to manage these resources sustainably."

Evaluation of the effectiveness of past biodiversity conservation programs. If an appropriate mechanism can be found for making such evaluations, then this would be an important factor to include in funding prioritization.

ENVIRONMENT FUNDING PRIORITIZATION UNDER THE DRAFT STRATEGIC FRAMEWORK:

USAID/AFR Biodiversity Conservation Funding Prioritization

High	Med	Low	None
Madagascar	(Cameroon)	**Angola**	Burkina Faso
Tanzania	**DRC**	**Benin**	Cape Verde
Uganda	**Ghana**	**Burundi**	**Djibouti**
CARPE	**Guinea**	(CAR)	**Eritrea**
	Kenya	(Congo Brazzaville)	Gambia
	Malawi	(Equatorial Guinea)	Guinea Bissau
	Mozambique	**Ethiopia**	Lesotho
	Namibia	(Gabon)	Mauritania
	Nigeria	**Liberia**	Niger
	Rwanda	**Mali**	Sao Tome
	Senegal	**Sierra Leone**	**Somalia**
	Zambia	**South Africa**	Swaziland
	AFR/SD	**Sudan**	Togo
	RCSA	WARP	**Zimbabwe**
	REDSO/ESA		AFR/DP

Note: Countries shown in (brackets) are only listed because they are CARPE member countries. The expected investments are through CARPE; their listing here does not constitute a recommendation for separate bilateral funding of biodiversity activities in those countries. **Bolded** countries are presence countries.
High, Med and Low prioritization is based upon the following criteria:

- Threats-based biodiversity conservation priority rating
- Assessment of USAID's opportunity to make progress in biodiversity conservation, including assessment of synergy with other USAID programs

What this is telling operating units about their programming:

- If the rating for a given operating unit is "High, Med or Low," then that Operating Unit should plan to conduct biodiversity conservation-focused activities. The level of funding the Bureau will provide for that purpose will be relative to the Bureau's overall Biodiversity Conservation funding level, which will be divided between operating units roughly according to this "High, Med and Low" rating scheme.
- In Fragile States, regardless of the above prioritization, it is likely that the mission will only be asked to program biodiversity conservation activities if they are one of the logical responses to the sources of fragility identified in the mission's Fragility Assessment.

USAID/AFR "Other Environment" Funding Prioritization

High	Med	Low	None
	Mali	AFR/SD	AFR/DP
	South Africa	**DRC**	**Angola**
		Ethiopia	**Benin**
		Malawi	Burkina Faso
		Mozambique	**Burundi**
		RCSA	Cape Verde
		REDSO/ESA	**Djibouti**
		Senegal	**Eritrea**
		WARP	**Gambia**
			Ghana
			Guinea
			Guinea Bissau
			Kenya
			Lesotho
			Liberia
			Madagascar
			Mauritania
			Namibia
			Niger
			Nigeria
			Rwanda
			Sao Tome
			Sierra Leone
			Somalia
			South Africa
			Sudan
			Swaziland
			Tanzania
			Togo
			Uganda
			Zambia
			Zimbabwe

Bolded countries are presence countries.

High, Med and Low prioritization is based upon the following criteria:

- Assessment of USAID's opportunity to make progress in non-biodiversity conservation Natural Resource Management and Other Environment activities.

What this is telling operating units about their programming:

- If the rating for a given operating unit is "High, Med or Low," then that Operating Unit should plan to conduct activities that can be categorized as "non-biodiversity conservation NRM," "democracy/governance-focused NRM," or "environmental health" activities. The level of funding the Bureau will provide for that purpose will be relative to the Bureau's Environment funding level, minus that which is earmarked for biodiversity conservation. That "non-biodiversity conservation" environment funding will be divided between operating units roughly according to this "High, Med and Low" rating scheme.
- In Fragile States, regardless of the above prioritization, it is likely that the mission will only be asked to program environment activities if they are one of the logical responses to the sources of fragility identified in the mission's Fragility Assessment.

F. HEALTH

1. SECTORAL FRAMEWORK WITH PERFORMANCE INDICATORS

OBJECTIVE 1: REDUCE TRANSMISSION AND IMPACT OF HIV/AIDS

Description: This objective should be used for programs funded with USAID-administered AIDS funds, whether initially appropriated to USAID or other Agencies. All programs will support and contribute to the President's Emergency Plan for AIDS Relief. Sector objectives therefore are consistent with the goals of the Emergency Plan. The framework also underscores the critical importance of capacity development and building sustainable systems to deliver services. The goal is consistent with the Millennium Development Goal for HIV/AIDS and thus is in line with the broader goals of the international community. HIV/AIDS program activities include prevention, care and support, treatment, program monitoring, and support to children and women, especially orphans and vulnerable children, affected by HIV/AIDS. Reducing mother-to-child transmission, promoting injection safety and increasing blood safety are important program components, as are counseling and testing, provision of condoms, support for the purchase of drugs and related commodities for HIV/AIDS, opportunistic and sexually-transmitted infections. Due to the far-reaching impact of the HIV/AIDS pandemic, an effective response requires actions from all sectors, both to mitigate the impact of HIV on each sector and to develop a comprehensive approach to prevention, care, and support that will reach the greatest number of people at risk.

SUB-OBJECTIVES:

- Contribute to the President's Emergency Plan for AIDS Relief objectives of 2-7-10: provide treatment to 2 million HIV-infected people; prevent 7 million new HIV infections; and provide care to 10 million people infected and affected by HIV/AIDS, including orphans and vulnerable children.
- Enhance African capacity to prevent, care, and treat HIV/AIDS and mitigate the pandemic's consequences.

INDICATORS AND 5 YEAR TARGETS:

PLEASE FOLLOW THE REPORTING GUIDANCE FOR FOCUS AND NON-FOCUS COUNTRIES FROM THE OFFICE OF THE GLOBAL AIDS COORDINATOR.

OBJECTIVE 2: PREVENT AND CONTROL INFECTIOUS DISEASES OF MAJOR IMPORTANCE

Description: This objective should be used for programs to: strengthen the response to the global tuberculosis epidemic; expand prevention and treatment efforts focused on malaria; strengthen disease surveillance and response capacity; and provide strategic support for the prevention and control of other infectious diseases of major importance.

Since malaria continues to pose a major burden on the African continent, all available control interventions directed towards children under 5 and pregnant women will be supported in a comprehensive and integrated approach tailored to the local situation. These include improved diagnosis and treatment, prevention of

malaria in pregnant women, increased use of insecticide-treated nets (ITNs), and selective and integrated use of anti-mosquito measures. Investments in malaria should promote an integrated and sustainable approach to the delivery of malaria treatment and prevention measures that also include the strengthening of regional and national institution and professional capacity to address the challenges of malaria control. Programs support the President's Initiative for Malaria.

In Africa, TB still kills millions of people annually as only 20 African countries have achieved nationwide DOTS (Directly Observed Therapy Strategy) coverage and no African countries have reached the global targets of 70% case detection and 85% treatment success. The TB epidemic is further exacerbated by the evolution of multi-drug resistant TB (MDR-TB) and the raging HIV/AIDS epidemic. USAID assistance for TB efforts support the WHO standardized DOTS TB control strategy. In general, DOTS based programs focus efforts on strengthening TB control programs in order to effectively diagnosis and treat adult smear positive pulmonary TB, interrupting further transmission from these infectious individuals to others. However, given that there are an estimated 2 million HIV infected children in Africa with TB likely being a leading cause of death among them, strengthening pediatric TB services will be supported by Emergency Plan funds in collaboration with National TB Programs as a component of pediatric HIV/AIDS care and treatment where these care and treatment programs exist. Potential achievement of targets for treatment success in countries with HIV high prevalence countries is affected by HIV interventions as much as TB program inputs, and TB-HIV collaborative activities.

In addition to the common communicable causes of death and illness, epidemic prone disease such as meningococcal meningitis and cholera are also prominent health threats that must be addressed. A functional disease surveillance system is essential for priority setting, planning, resource mobilization, prediction and early detection of epidemics and monitoring and evaluation of intervention programs. Therefore, priority areas for USAID's limited investments are focused on supporting training, laboratory networks and evaluation to build on WHO/AFRO's regional strategy to strengthen disease surveillance through an integrated approach.

OBJECTIVE LEVEL INDICATORS:

- TB Incidence Rate
- Under Five Mortality
  (to be used to monitor the impact of Malaria Programs)

SUB-OBJECTIVES:

- Enhance African capacity to prevent and cure TB.
- Increase availability, quality and use of key prevention and treatment interventions for malaria.
- Establish an effective disease surveillance system with laboratory support

SUB-OBJECTIVE LEVEL INDICATORS AND 5 YEAR TARGETS:

- Enhance African capacity to prevent and cure TB and address TB and HIV treatment
  - TB ss+ case detection rate (# of new smear-positive TB cases detected/estimated number of new smear-positive TB cases country-wide (and/or aggregated for TB focus countries) Target 70%
  - TB ss+ treatment success rate (# of new smear-positive pulmonary TB cases registered in a specified period that were cured plus the number that completed treatment/total number of new smear-positive pulmonary TB cases registered in the same period in a given country (and/or aggregate for TB focus countries).
    Target 85%

- Increase availability, quality and use of key prevention and treatment interventions for malaria.
  - Appropriate and timely treatment of fever – Proportion of children under 5 years of age with fever in the last two weeks who received anti-malarial treatment according to national policy within 24 hours of fever onset. Target 60%
  - Households with at least one insecticide-treated bed net (ITN) – Proportion of households in malarial areas that have at least one ITN. Target 60%
  - Proportion of women receiving 2 or more doses of IPT during pregnancy according to national policy. Target 60%
- Integrated Disease Surveillance:
  - Proportion of outbreaks confirmed by laboratory results among those reported during the past year: Target 60%

OBJECTIVE 3: REDUCE CHILD MORTALITY

Description: This objective supports the development and implementation of programs delivering proven high impact interventions that prevent and reduce illness, mortality and malnutrition among newborns, infants and children under the age of five. The strategy emphasizes a focus on a select group of priority interventions for impact and on systems strengthening to ensure sustainability. These priority interventions include the promotion of appropriate breastfeeding and young child feeding, delivery of critical micronutrients including vitamin A, immunization, prevention and treatment of diarrhea with attention to water and environmental sanitation, pneumonia, supplementary and therapeutic feeding and interventions aimed at improving survival and healthy outcomes of newborns. (For newborns, see also Objective 4 on Improving Maternal Health and Nutrition) In HIV prevalent environments, linkages of these interventions with HIV programs is critical. Systems strengthening should focus on key systems such as information management, logistics, financing, and human resources development linked explicitly to the successful delivery of focused interventions.

All child survival programs should have a clear mortality reduction objective, contain an array of interventions that match the epidemiological profile and social needs of the country; address the issue of working at scale from the outset; and engage in partnerships to achieve national level coverage of interventions. For Africa it is critical to focus on community and household level approaches to bring services and commodities closer to those in need, given distances to formal health facilities. It also is important to support strategic behavior change communications approaches that focus on increasing demand for services and promoting healthy behaviors to complement health services. In order to expand coverage of key services, the private sector's role will need to be expanded in partnership with the public sector.

OBJECTIVE LEVEL INDICATORS:

- Under-five mortality rate.
- Underweight prevalence (weight for age)

Sub-Objectives:

- Increase availability, quality and use of key prevention and treatment interventions for pneumonia, diarrhea and vaccine-preventable diseases.
- Increase coverage of appropriate infant and young child feeding, vitamin A supplementation and other micronutrient interventions to prevent malnutrition.

Sub-Objective Level Indicators and 5 year Targets:

- Increase availability, quality and use of key prevention and treatment interventions for pneumonia, diarrhea and vaccine-preventable diseases
    - DPT 3 vaccination rate – Proportion of children 12-23 months who have received their third dose of vaccine against diphtheria, pertussis, and tetanus. Target 86%
    - Appropriate treatment of pneumonia – Proportion of children under 5 years of age with fast and/or difficult breathing (with or without cough) in the last two weeks who received antibiotic treatment according to national policy. Target 50%
    - Safe drinking water- The proportion of households with access to safe drinking water (including piped water and water from protected springs, boreholes, and sanitary wells).
    - Oral Rehydration Therapy use – Proportion of children under 5 years of age with diarrhea in the last two weeks who received ORT (ORS or recommended home fluids or increased fluids). Target 70%
- Increase coverage of appropriate infant and young child feeding, vitamin A supplementation and other micronutrient interventions to prevent malnutrition.
    - Exclusive breastfeeding (under 6 months): Percent of children under 6 months who are exclusively breastfed (providing no food or liquid other than breast milk to the child during the 24-hour period before the survey). Target 60%
    - Appropriate infant and young child feeding (IYCF) practices – Proportion of children 12 - 23 months of age fed with appropriate feeding practices (continued breastfeeding, age-appropriate frequency of feeding and number of food groups). Target 50%
    - Vitamin A supplementation – Proportion of children 12-59 months of age who received vitamin A in the last 6 months. Target 80%

OBJECTIVE 4: REDUCE MATERNAL AND NEWBORN MORTALITY

Description: Key elements of effective maternal survival, health and nutrition programs and those interventions provided to mothers that affect newborn outcomes are included in this objective. These programs include birth preparation, including birth spacing, nutrition (including micronutrient supplementation) and infection control; antenatal, safe delivery, postpartum and newborn care (newborn health is also addressed under Objective 3); management of obstetric and immediate newborn complications; and prevention and treatment of maternal disabilities, such as anemia and obstetric fistula. PL480 may be used to treat and prevent malnutrition while supporting participation in activities that improve overall survival, health and nutrition. This objective also includes malaria, STI, and HIV prevention and treatment targeted at pregnant women. Policy development, community mobilization, behavior change, training, service delivery, quality improvement, personnel management, drugs and commodity availability, research and monitoring and evaluation targeted primarily to maternal health and nutrition programs are included, but use health systems when they are available. This objective promotes skilled attendance at birth, targets vulnerable populations, advances evidence-based standards, and delivers compassionate, high-quality care to promote maternal and peri-natal health.

Through maternal health programs, synergies can be achieved with family planning, infectious disease, nutrition, and hygiene programs. Prenatal, delivery, and postpartum services (Postpartum services also covered in Objective 3) provide an existing platform on which to build the provision of information, services and referrals for family planning, nutrition programs, hygiene improvement, and prevention and treatment of HIV, other sexually transmitted diseases, and malaria. In Africa, increased prevalence of infectious disease (especially HIV and malaria) profoundly affects pregnancy care and outcomes.

OBJECTIVE LEVEL INDICATORS:

- Maternal anemia prevalence

- Neonatal mortality rate

SUB-OBJECTIVES:

- Increase availability, quality and use of antenatal care, skilled care at birth, and postpartum/newborn care.

SUB-OBJECTIVE LEVEL INDICATORS AND 5 YEAR TARGETS:

- Antenatal coverage with 3 or more visits (Proportion of women who had at least 3 antenatal care visits during their last pregnancy). Target 45%
- Skilled attendance at birth (Proportion of women whose last child was delivered by a health professional (doctor/nurse/mid-wife). Target 45%
- Protection against tetanus (Proportion of women who received at least 2 tetanus toxoid injections before the birth of their youngest child). Target 65%

OBJECTIVE 5: IMPROVE REPRODUCTIVE HEALTH

Description: USAID's reproductive health program is founded on the principles of voluntarism and informed choice and seeks to enhance the ability of couples to decide the number and spacing of their children. The goal makes substantial contributions to reducing maternal mortality due to unintended pregnancy and abortion; to reducing infant and child mortality through birth spacing; and to reducing population pressures on natural resources. Provision of abortion services or promotion of abortion as a method of family planning is prohibited.

Support for the key elements of effective reproductive health (RH) programs include strengthening service delivery, enhancing health systems, policy analysis and planning, and health education and communication. Integration of family planning with post-abortion care, antenatal and postnatal care, and HIV and STI prevention and treatment programs are also part of this objective. Linkages with other sectors such as education to support education for girls is being encouraged.

OBJECTIVE LEVEL INDICATOR:

- Total fertility rate

SUB-OBJECTIVES:

- Increase use of family planning services and decrease high-risk reproductive health behaviors.
- Promote an enabling family planning environment.

SUB-OBJECTIVE LEVEL INDICATORS AND 5-YEAR TARGETS:

- Increase use of family planning services and decrease high-risk reproductive health behaviors.
  - Contraceptive prevalence rate: Percentage of all women of reproductive age (age 15-49) using, or whose partner is using, a modern method of contraception at the time of the survey. Target 19.4%
  - Birth Spacing: Percentage of births spaced more than 3 years apart: Target 45%
  - Births to Young Mothers: Percentage of Births to Mothers Under Age 18: Target 27%
- Promote an enabling family planning environment
  - Contraceptive Security: Couple-Years Protection (CYP).
  - Gender-based Violence: Number of incidences reported on gender-based violence.

Cross-cutting Component (health systems capacity, youth involvement, and urbanization,): Health systems strengthening activities serve to improve the equity, effectiveness, efficiency, accessibility, and sustainability of health services, both in the public and the private sectors. This component includes health financing and resource allocation; human resource development through improved workforce policies aimed at recruitment, retention and quality assurance activities; and improving commodity supply management to ensure the availability and appropriate use of pharmaceuticals and other commodities of assured quality; information systems management including monitoring and evaluation activities; management and leadership capacity development; technology assessment; and policy analysis and reform assistance. Involvement of youth in decision-making and delivery of services is a key component to the sustainability of quality health systems. Similarly, health systems and local government capacity must be strengthened to meet the challenge of delivering adequate services within a rapidly urbanizing environment where 70% of urban dwellers live in urban slums with poorer access and quality of services than national averages. These health systems activities are necessary cross-cutting components that are determined by the context in which USAID's other key health sector goals are pursued.

INDICATOR AND TARGET

- Human resource capacity and effectiveness: –Number of health activities which build health systems capacity

2. MODEL TO DETERMINE COUNTRY PROGRAMMING PRIORITY FOR HEALTH SECTORAL OBJECTIVES

Introduction: Overall, the health sector uses a two-step process to prioritize the countries by its five objective areas and the sub-accounts within them. Existing need-based models that quantify magnitude and severity for each of the objective area are utilized to derive an initial ranking of countries. A final ranking of countries is derived by overlaying the need-based rankings with qualitative factors that measure potential for impact and include a. country capacity (for example, a, infrastructure , human resource situation); b. country performance in the health sector; and c. the potential for national level impact (for example, political will, other donor presence, and engagement of the private sector). The methodology enables the Bureau to meet its legislated health outcomes, and at the same time, takes into account the sector's contribution to the overarching goals of moving the countries along the development continuum. Because of earmarks/directives and technical differences across sub-sectors, this 2-step quantitative and qualitative model is applied to prioritize countries by sub-accounts: HIV/AIDS, Tuberculosis (TB), Malaria, Other Infectious Disease (Surveillance), Polio, Child Survival (CS), Maternal and Neonatal Health, Family Planning. The following describes the nuances in the methodology by the sub-accounts:

HIV/AIDS: USAID follows the criteria of the Office of the Global AIDS Coordinator for country prioritization.

Child Health: A methodology for assessing need is employed that combines both magnitude and severity elements, with severity reflecting the percentages of children potentially affected and magnitude reflecting the numbers potentially affected through health interventions. The magnitude indicator used is the log of the contribution of infant deaths greater than the annual infant deaths a country would have if it's infant mortality rate (IMR) were 25/1,000. The logarithm of the value is used to reduce the effects of extreme outlier scores (countries that have very large numbers of deaths, such as Nigeria). A country's severity score is a measure of the relative position of a country's severity indicator value (IMR) between the highest and lowest values among all countries. Country interaction scores, the product of severity and magnitude scores, are ranked to determine a country's relative position among all countries.

Malaria: A ranking of need is derived from the quantification of the interaction of the WHO established malaria burden with the magnitude and severity of under-5 deaths in each country.

Maternal and Newborn Health: Score follows the same model for Child Health using different indicators, specifically maternal mortality ratio, assisted delivery for maternal health, and 2+ antenatal visits and tetanus toxoid vaccination of mothers for newborn health.

Reproductive Health: The quantitative model used for the initial ranking of countries involves a statistical formula which looks at a combined need score based on a weighted average for density, fertility and unmet need. The density indicator is a composite based on availability of water, land and %GDP in agriculture. USAID past investments and mission interest in family planning were additional factored considered in the qualitative phase of country prioritization.

Polio: The methodology used examines the current burden of disease in the country and the level of coverage for the fourth dose of the oral polio vaccine coverage and polio surveillance. A low immunization coverage coupled with low rates for reported cases on non-polio Acute Flaccid Paralysis (<2/100,000 population) means that the risk for cases occurring is high and so countries must continue to focus on polio. AFR/SD funding is rated high as AFR/SD supports the activities conducted at the Africa Regional Office of WHO and this support is crucial as it gives the organization the flexibility to respond to outbreaks when and where they occur and key positions needed for providing country support.

Surveillance: Integrated Disease Surveillance and Response is a new system that could effectively identify and respond to common epidemics and prevent high case fatalities being tested in a few countries. Prioritization is based on need, recurrence of epidemics, mission priorities and the necessity to focus so Missions can scale up an essentially new model of surveillance to reach all districts.

Health Sector Prioritization for Transformational Development States

0 = not a priority; 1 = high priority, 2 = medium priority, 3 = low priority

Country		Objective 1 HIV/AIDS	Objective 2 Infectious Disease			Objective 3 Child Health		Objective 4 Maternal and Newborn Health	Objective 5 Family Planning
			TB	Surveillance	Malaria	Primary Cause	Polio		
1	Benin	3	3	0	2	2	1	3	3
2	Ghana	2	3	1	1	2	2	1	1
3	Kenya	1	1	0	2	3	3	3	1
4	Lesotho	1	-	-	-	-	-	-	-
5	Madagascar	2	3	3	1	1	3	2	1
6	Malawi	1	1	0	1	2	3	2	1
7	Mali	2	3	2	1	1	1	2	1
8	Mozambique	1	1	1	2	1	2	1	2
9	Namibia	1	1	0	0	0	3	0	0
10	Nigeria	1	1	0	2	1	1	2	1
11	Rwanda	1	3	0	1	2	3	2	1
12	Senegal	2	2	3	1	2	2	1	2
13	South Africa	1	1	0	0	3	3	0	2
14	Swaziland	1	-	-	-	-	-	-	-
15	Tanzania	1	1	1	1	2	2	1	1
16	Uganda	1	1	1	1	1	2	2	1
17	Zambia	1	1	0	1	1	3	1	1
18	AFR/SD	2	2	1	2	2	1	2	2
19	REDSO	2	2	0	2	2	2	2	1
20	RHAP	1	0	0	0	0	0	0	0
21	WARP	2	0	3	1	2	2	2	1

Parameters for Health Sector Programs

A ranking of 1 indicates these Missions will receive highest priority for additional funding to support program expansion. These Missions are in countries that have scored high on need, as well as country performance, commitment and ability to scale-up and achieve impact. If additional funding becomes available, these Missions will have first priority for receiving them. Programmatically, these Missions are expected to continue and expand their current programs.

A ranking of 2 indicates these Missions are expected to maintain their sub-sector activities with currently available funds. If additional funds become available, these Missions would have access to the funding only after Missions given a 1 ranking received their allocations. Missions ranked 2 are in countries that have scored high on need and less well than priority countries on country performance, commitment and ability to scale-up.

A ranking of 3 indicates these Missions are of lower priority for receiving additional funding. These missions will be expected to maintain their programs without additional funds.

G. URBANIZATION

1. URBANIZATION

Problem Statement Although sub-Saharan Africa remains the least urbanized region of the world, at about 40 percent, its cities and towns are experiencing the highest urban growth rates in the world. By 2015 Africa will be more urban than rural. Increasing urbanization has historically been a driver of economic growth in every other part of the world, partly because productivity of labor and capital in urban areas is generally higher than in rural areas. While about 65-70 percent of Africans depend on agriculture for a living, agriculture contributes just 30-40 percent of GDP. In spite of its rate of urbanization, Africa's overall economic growth has declined. Instead, urbanization has brought problems. The percentage of poor people living in cities has increased to more than 40 percent and urban slums are home to about 72 percent of the urban population. A host of environmental and health problems, such as water and wastewater pollution and the spread of infectious diseases, including HIV/AIDS, have arisen in Africa's cities.

OBJECTIVES:

1. Improve governance capacity, accountability and integrity in key African cities and regional market towns.
2. Expand access to economic opportunities for urban residents with a focus on the poor and vulnerable.
3. Improve the urban environment
4. Address critical urban health problems through community-based approaches

RATIONALE:

Increasing urban productivity and improving urban living conditions is key to the Agency's efforts to reduce poverty, stimulate economic growth, and enhance human and institutional capacity in Africa.

Because of its cross-cutting nature, issues related to urbanization tend not to be articulated within the current USAID/State Strategic Plan framework. However, there are ample opportunities for USAID missions to better address urban issues through their existing and future programming as a cross-sectoral theme and achieve the following goals. The illustrative strategies provide an example of how different sectors can help to take advantage of Africa's rapid urbanization.

OBJECTIVE 1: IMPROVE GOVERNANCE CAPACITY, ACCOUNTABILITY AND INTEGRITY IN KEY AFRICAN CITIES AND REGIONAL MARKET TOWNS.

ILLUSTRATIVE INDICATORS:

- Percent of local government resources and authority devolved to local government
- Number of people in target areas with improved access to adequate safe water supply and/or sanitation that meets sustainability standards
- Programs help citizens' concerns to be effectively represented at local levels
- # local government meetings/hearings open to citizens
- # of women and minority candidates on municipal ballots
- # of women and minority candidates sitting as members of a representational local government

Key to the improved livelihoods of urban residents and to generation of increased rates of economic growth in cities is the capacity of local governments to improve and expand basic urban services. According to

Afrobarometer, 89 percent of respondents believe that democracy should deliver access to the basic necessities of life, like food, water, shelter, and education. Most Africans judge the performance of 'democracy' primarily in terms of government's ability to deliver tangible services, nearly all of which are delivered most effectively by local governments. However, most urban governments in the region lack both the human and financial resources to provide such services. National governments have in many cases devolved responsibility for providing basic services to local governments without the means to finance them through revenue transfers or permission to generate revenue locally. Many local governments have also not as yet understood or appreciated the role that non-governmental organizations can play in improving urban conditions, either as service providers themselves, as advocates for improved services or as watchdogs for good governance. Therefore, building into democracy and governance programs activities that address capacity, accountability and integrity of local government will directly contribute to the improvement of economic, social, environmental and health conditions in urban areas.

ILLUSTRATIVE STRATEGIES:

Bold are highest priorities.

- **Increased capacity of municipalities to improve and expand basic services such as water, sanitation, solid waste, energy, health, and education**
- Preparing urban youth to be future municipal leaders
- Increased public participation in local government planning and decision making, with a special focus on youth and women
- Increased private sector investment in mortgage markets and affordable housing stock for increasing urban populations
- Greater central government commitment toward fiscal decentralization and effective local governance, including delegation of authority for revenue generation at the local level
- Enhanced municipal capacity for
  - generating and transparently managing municipal revenue
  - participatory strategic planning and implementation of long-term city development and growth management strategies
  - developing an enabling environment for tourism, trade and investment and other economic growth drivers
  - effective response to the HIV/AIDS pandemic
  - addressing conditions that foster violence, crime, human-trafficking and conflict, particularly those affecting urban youth, women and children

OBJECTIVE 2: EXPAND ACCESS TO ECONOMIC OPPORTUNITIES FOR URBAN RESIDENTS WITH A FOCUS ON THE POOR AND VULNERABLE.

INDICATORS:

- Days to start a business
- Reduce child labor
- Reduced youth unemployment

- Urban GDP/capita annual growth
- Urban net primary school attendance (90% five-year target)
- Urban adult literacy rate disaggregated by gender (70% M/F)

The City of Lagos alone generates at least 60 percent of Nigeria's non-oil revenues. With targeted investment, increased revenue generation, and inclusive and informed governance, Africa's cities have the potential to generate jobs, increase economic growth, and boost rural productivity. South Africa is instructive—already more than 60 percent urban, its cities contribute 85 percent to the country's overall GNP.[7] Cities play a vital role in rural development and poverty reduction. They offer the industrial infrastructure, labor, and transportation nodes needed for value-added agricultural processing and provide access to markets for rural produce. Access to finance, investment, and job creation strategies are necessary for Africa's cities to reach their potential as drivers of overall economic growth. USAID's interventions must increasingly help cities more efficiently generate investment, access new sources of finance, and create employment opportunities, particularly for the growing number of the urban poor.

ILLUSTRATIVE STRATEGIES:

- **Reduced barriers to economic opportunities, particularly for women and youth entrepreneurs**
- Improved legal and regulatory framework which facilitates business, job creation and investment
- Expanded access to credit for the poor
- Strengthened investment in infrastructure and local finance/banking institutions
- Enhanced competitiveness and attractiveness of key Sub-Saharan African urban areas to foreign investment
- Urban food security and agriculture market linkages promoted
- Employment opportunities and life prospects for urban youth enhanced through training programs that involve the private sector and link to needs
- Increased participation of youth in policy discussions related to the formulation and implementation of local and national strategies to address urban youth employment
- Youth and women entrepreneurs better equipped to employ urban economies of scale and manage rural-urban linkages
- Preparing urban youth to be entrepreneurs and future private sector leaders

OBJECTIVE 3: IMPROVE THE URBAN ENVIRONMENT

INDICATORS:

- Percent people in selected cities with access to clean water
- Percent people in selected cities with access to sanitation
- Percent people in selected cities served by solid waste collection program
- Percent decrease in malaria rates in urban areas

[7] Urban Profile of USAID Obligations in Africa, FY2002. January 23,2004 (EGAT Urban Programs).

- Percent decrease in diarrhea in urban areas

Rapid urbanization creates enormous stresses on the natural environment that extend far beyond the actual land areas of cities and towns. As urban areas expand, they impact the greater environment around them, including bio-diversity, particularly as levels of per capita resource consumption, water and air pollution, and soil contamination increase. Yet adverse environmental impacts are often ignored by urban residents because the ecosystems that support them may be distant. Poorly functioning or inadequate urban environmental services such as clean water and sanitation also act as a deterrent to the domestic and foreign investment required to sustain economic growth, burdening business with added costs. Labor productivity also suffers from poor environmental conditions. Therefore, improved urban environmental management and sensible regulation must be an integral part of the Bureau's overall environment program in sub-Saharan Africa and is key to efforts to stimulate economic growth.

ILLUSTRATIVE STRATEGIES:

- **Increased access by the urban poor to municipal environmental services (i.e., waste management, clean water and sanitation)**
- Proven approaches implemented to promote sustainable resource consumption
- Improved disaster preparedness in urban areas through integrated planning, slum upgrading, education, training, response and recovery
- Improved regulatory framework guiding management and energy efficiency of industrial, commercial and private-sector operations in urban areas to reduce greenhouse gas emissions.
- Improved legal and regulatory framework guiding urban agriculture, household and commercial waste disposal to reduce pollution and associated environmental health concerns

OBJECTIVE 4. ADDRESS CRITICAL URBAN HEALTH PROBLEMS THROUGH COMMUNITY-BASED APPROACHES

INDICATORS:

- Percent of urban residents with access to basic health care services
- Adult HIV prevalence rate

Improved health conditions, especially for the poor, are essential to efforts to raise living standards for urban dwellers. Poor health impacts on educational attainment, job productivity, and family earnings. Access to reproductive health services and HIV/AIDS counseling and testing are also essential for urban residents. Direct provision of services is delivered most efficiently and transparently at the local and municipal levels, particularly when community participation is encouraged. Training, technical assistance, and strategic investment can improve the capacity of local governments to manage and equitably provide these services, and potentially impact other aspects of governance such as financial management, public participation, and local economic development. As Africa becomes increasingly urbanized, USAID missions are encouraged to address the health conditions of the urban population.

ILLUSTRATIVE STRATEGIES:

- **Improved basic public health services provided for urban residents, particularly the poor**
- Local governments increase their involvement in delivery of community-level HIV/AIDS education and treatment services for urban residents, government employees, teachers and youth affected by disease

- Local government capacity built to minimize disease vectors (such as schools and municipal markets without water or sanitation, high density areas with poor drainage and potholes) through improved social and economic infrastructure
- Youth-friendly reproductive and HIV services, such as contraceptives and voluntary counseling and testing, promoted
- Expanded services offered to meet the needs of urban orphans and other vulnerable children

2. COUNTRY PRIORITIZATION MODEL

This model applies to both TD and FS countries. The final prioritization number for each country is arrived at through the following formula:

Potential Development Impact (Here, MCA eligibility is a proxy: 3 points for MCA Compact elegibility, 2 for MCA Threshold eligibility, or 1 point)
+
Other foreign policy importance to the U.S. Government
+
an inverted measure of the World Bank's *Country Policy and Institutional Assessment* (CPIA) 1/CPIA

X
the severity of problem index.

The severity-of-problem index is calculated as follows:

1 point if Youth as % of adult pop > 35%
1 point if the urban growth rate > 4%
3 points if the 5-year average GDP/capita growth rate is < 1%; 2 if <2%; otherwise 1 pt
3 points if the average GDP is < $400; 2 points if < $1200; otherwise 1 point
2 points if the urban slum pop > 70%; otherwise 1
1 point if % urban pop w/ access to improved water < 81%
1 point if % urban pop w/access to improved sanitation is < 60%
1 point if the adult HIV prevalence rate is > 10%

Urban TD Priority Countries

Country	Potential development impact (MCA or MCAT)	Other foreign policy importance to USG	CPIA 2003	Youth as % of Adult Population	Urbanization Rate 2000-2005	Urban Growth Rate 2000-2005	Adult HIV prevalence rate 15-49	Slum Pop as Percent of Urban	% pop w/ improved drinking water sources	% pop w/access to improved sanit	5-year Ave GDP/Capita Growth Rate 1998-2002	GDP per capita (in constant 1995 $)	Severity of Urban Problem	Priority countries for urban w/o USG FP	Priority countries w/USG FP
Mozambique	3	3	0.3	0.33	3.34	5.09	12.2	94.1	76	51	6.26	223	10		63
Kenya	2	3	0.4	0.39	2.97	4.42	6.7	70.7	89	56	-1.13	322	11		59
Nigeria	1	4	0.2	0.35	1.82	4.35	5.4	79.2	72	48	-0.12	248	11		57
Madagascar	3	2	0.6	0.35	0.77	3.61	1.7	92.9	75	49	-1.68	215	10		56
Mali	3	2	0.4	0.37	2.17	5.17	1.9	93.2	76	59	3.97	309	10		54
Benin	3	2	0.5	0.38	1.74	4.39	1.9	83.6	79	58	2.50	443	9		49
Malawi	2	2	0.4	0.41	2.57	4.58	14.2	91.1	96	66	-0.90	157	11		48
Lesotho	3	2	0.4	0.38	0.73	0.87	28.9	57	88	61	-0.62	648	8		43
Zambia	2	2	0.4	0.41	0.77	1.93	16.5	74	90	68	0.44	422	9		39
Senegal	3	2	0.6	0.37	1.46	3.86	0.8	76.4	90	70	1.90	618	7		39
Tanzania	2	2	0.8	0.21	3.01	4.94	8.8	92.1	92	54	3.27	207	8		39
Uganda	2	2	0.8	0.41	0.65	3.9	4.1	93	87	53	2.41	359	8		39
South Africa	1	5	1.0	0.31	0.84	1.43	21.5	33.2	98	86	1.10	4020	5		35
Djibouti	1	3	0.3	0.14	n/a	n/a	2.9	n/a	82	55	-0.87	734	8		34
Rwanda	1	2	0.5	0.38	9.42	11.59	5.1	87.9	92	56	4.69	295	9		31
Sao Tome and Principe	2	2	0.2	n/a	n/a	n/a	0	2	89	32	1.12	355	7		30
Niger	1	1	0.3	0.37	2.46	6.08	1.2	96.2	80	43	0.36	209	12		27
Burkina Faso	1	1	0.6	0.37	2.08	5.03	4.2	76.5	82	45	1.42	281	10		26
Guinea-Bissau	1	1	0.2	0.34	2.41	5.35	0	93.4	79	57	-6.00	162	11		24
Botswana	1	2	1.0	0.41	0.91	1.77	37.3	60.7	100	57	3.92	4102	6		24
Namibia	1	2	1.0	0.37	1.63	3.04	21.3	37.9	98	66	1.22	2203	6		24

Country	Potential development impact (MCA or MCAT)	Other foreign policy importance to USG	CPIA 2003	Youth as % of Adult Population	Urbanization Rate 2000-2005	Urban Growth Rate 2000-2005	Adult HIV prevalence rate 15-49	Slum Pop as Percent of Urban	% pop w/ improved drinking water sources	% pop w/access to improved sanit	5-year Ave GDP/Capita Growth Rate 1998-2002	GDP per capita (in constant 1995 $)	Severity of Urban Problem	Priority countries for urban w/o USG FP	Priority countries w/USG FP
Ghana	3	2	0.6	0.35	1.06	3.22	3.1	69.6	93	74	2.75	429	4		22
Mauritania	1	1	0.7	0.36	2.15	5.13	0.6	94.3	63	64	2.68	503	8		22
Swaziland	1	1	0.3	0.39	0.58	1.38	38.8	n/a	87	78	0.25	1553	8		18
Cameroon	1	2	0.3	0.37	1.56	3.39	6.9	67	84	63	2.37	700	5		17
Gambia	1	1	0.3	0.35	-0.08	2.58	1.2	67	95	72	0.72	356	7		16
Gabon	1	1	0.2	0.35	0.9	2.69	8.1	66.2	95	37	-1.63	4323	6		13
Mauritius	1	1	1.0	0.21	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4		12
Seychelles	1	1	1.0	n/a	n/a	n/a	0	2	100	n/a	1.32	8071	4		12
Cape Verde	1	2	0.8	n/a	n/a	n/a	0	69.6	86	61	3.64	1585	3		12
Equatorial Guinea	1	1	0.2	0.34	n/a	n/a	0	86.5	45	60	23.84	2444	5		11
Comoros	1	1	0.2	0.25	n/a	n/a	0	n/a	n/a	n/a	n/a	n/a	4		9
Sudan	1	3	0.2	0.36	2.43	4.6	2.3	85.7	78	50	4.06	330	10		42

H. YOUTH

1. OBJECTIVES

Problem Statement: Today's youth is the largest generation ever and represents a potentially powerful source for the transformational development of their countries. Young people, aged 15 to 24 years, constitute about 20 percent of the total population in most African countries. In most African countries, young people under 25 years make up about 70 percent of the population.[8] Disproportionately large youth cohorts relative to a country's overall population have been linked to the potential for violence. Yet, the needs and opportunities of youth have largely been overlooked by USAID—in part because this group has neither the strong advocates of the 'under five' age group nor the political clout of adults. However, the values, attitudes, and skills acquired by youth and the choices they make as a result, will influence the course of current events and shape Africa's future in fundamental ways.

Objectives: (Young women are a priority focus for all objectives):

1. Enhance youth civil and political participation
2. Reduce youth unemployment in targeted countries
3. Increase access and use of basic health services (including HIV) for youth
4. Enhance social safety nets for vulnerable youth

RATIONALE:

Youth are a powerful force for constructive change around the world. When given a chance to participate youth have played catalytic role in promoting democracy (Mali and South Africa), promoting economic growth (Namibia), slowing the HIV/AIDS epidemic (Uganda). Research and experience show that investments in youth advance a stronger civil society, equitable economic growth, and healthier lifestyles.

The asset that Africa's 132 million youth represent for economic transformation is largely unrealized because of high unemployment and low skill levels. Youth make up more than 40 percent of the unemployed in Africa. It is a paradox that while a major constraint on African development is low human capacity to implement development programs, half of the valuable energy of the young age cohort is wasted in terms of unemployment. In addition, over half of all HIV/AIDS infections are among youth. Their political and civil society participation is low. African youth are frustrated and vulnerable and threaten to be a negative force. Turning the situation around to make youth a positive force for change will define Africa's future. This is the greatest challenge and opportunity that these countries and the international community face today.

While there is no neat fit for a sectoral focus on youth within the current USAID/State Strategic Plan framework, there is a wide range of opportunities for USAID missions to better target youth through their existing and future programming as a cross-sectoral theme and achieve the following goals. The illustrative strategies provide examples of how different sectors can better take advantage of the transformational potential that youth represent.

OBJECTIVE 1. ENHANCE YOUTH CIVIL AND POLITICAL PARTICIPATION

INDICATORS:

- Percent increase in women and youth participation in political parties (State/USAID)
- Programs help citizens' concerns to be effectively represented at national or local levels (State/USAID)

[8] Chigunta, Francis. "The Socio-Economic Situation of Youth in Africa: Problems, Prospects and Options." 12 July 2002: 4. <http://inside.usaid.gov/AFR/sp/docs/framework_youth/socio-economic_situation_africayouth.doc>

Young people in the developing world are largely shut out from constructive political participation. In the absence of legitimate avenues for participation, young people may opt out of political participation, be manipulated by political parties, or be drawn to movements outside of traditional political structures.[9] Both young women and men take part or are abducted into criminal and violent activities, including smuggling and prostitution. Gangs, criminal organizations, or armed rebel groups provide a sense of empowerment, shared identity, and access to material rewards.[10] At the same time, youth are mobilizing themselves into positive social movements that are articulating youth needs and making changes in their communities.

ILLUSTRATIVE STRATEGIES:

Bold are highest priority.

- **Support youth-led associations, organizations, and movements**
- Ensure youth leadership and participation in key community, municipal, and national initiatives
- Institutions and local governments educated in the importance and means of effectively integrating youth in civic processes
- Community awareness of the rights and responsibilities of youth, especially women, promoted
- Media interest in youth concerns and youth engagement in the media enhanced
- Individual, community, and institutional capacity for constructive resolution of conflict enhanced

OBJECTIVE 2. REDUCE YOUTH UNEMPLOYMENT IN TARGETED COUNTRIES

INDICATORS:

- Percent increase in youth employed in targeted areas
- Percent increase in income from sustained employment
- Percent increase in youth perceiving more optimistic view of their future
- Percent increase in businesses and institutions employing youth
- Percent increase in secondary school completion rates
- Total number of youth trained through USAID-sponsored health programs in FY04 (annual).

According to ILO estimates, Africa's GDP could increase by 20 percent if unemployment were reduced by half. Because youth aged 15-24 are unemployed at rates twice as high as the overall labor force, the loss in GDP due to the unemployment of youth could be even higher. Africa will need to generate nearly 8 million jobs every year over the next 12 years to absorb the rapidly growing number of job seekers. Moreover, unemployment topped the development agenda of Africans surveyed in the 2002-2003 Afrobarometer survey. Several surveys have indicated that employment and livelihood are the highest priorities for youth themselves.

ILLUSTRATIVE STRATEGIES:

- **Youths' entrepreneurship, life, and employment skills developed through formal and non-formal education**

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[9] Chigunta, Francis. "The Socio-Economic Situation of Youth in Africa" 12 July 2002: 4.

[10] Office of Conflict Management and Mitigation, "Youth and Conflict: A Toolkit for Intervention." 2004

- Public-private partnerships and other initiatives developed and implemented to create employment opportunities for youth
- Access to capital for youth enhanced
- Employment and livelihood-oriented economic growth policies that target youth are developed and implemented
- More youth employed in health care service provision
- Poverty Reduction strategies with focus on employment and livelihood opportunities for youth implemented
- Basic education provided for out-of-school youth

OBJECTIVE 3. INCREASE ACCESS AND USE OF BASIC HEALTH SERVICES (INCLUDING HIV) FOR YOUTH

INDICATORS:

- Percent reduction in adolescent fertility rate
- Percent of youth engaged in health service provision at the community level
  - Percent of youth provided training for peer education on health and HIV
  - Percent of youth provided training for health care at the household level
- Percent of youth having access to friendly basic and reproductive health services
- Percent of youth provided options to adopt career in health
- Percent of young OVC having access to education and livelihood

The health status of young people has been deteriorating in most African countries. This is most alarmingly reflected in declining life expectancies in countries with high HIV/AIDS, such as Botswana, Zimbabwe, Kenya, and Swaziland. All of these countries had life expectancies of 60 years or more—now it is almost half of that level. In other countries with lower HIV/AIDS prevalence, life expectancy has not increased appreciably because of poor economic and social conditions. After early infancy and until old age, adolescence is the most vulnerable period in a person's life. It is during adolescence that unhealthy habits with long-term consequences, such as smoking, drug use, and unprotected sexual activity typically begin. Marginalized, youth are more likely to engage in risky behaviors leading to HIV infection, unintended pregnancy, and chronic substance abuse and young women are particularly vulnerable.

ILLUSTRATIVE STRATEGIES:

- **Basic health and HIV education provided to youth**
- Youth-friendly health and HIV services promoted
- Youth empowered to provide peer education for health improvement
- Health care and treatment provided to HIV/AIDS affected youth

OBJECTIVE 4. ENHANCE SOCIAL SAFETY NETS FOR VULNERABLE YOUTH

INDICATORS:

- Number of orphans and other vulnerable children receiving care/support services through programs assisted by USAID (annually).
- Percent increase in orphans receiving social services
- Increased use of government and/or NGO social services by youth
- Percent reduction in adolescent fertility rate

More than 13 million African children have been orphaned and millions more have otherwise been affected by AIDS since the early 1980s. Maasai girls in Kenya are sold into marriage as early as 8 years old. Millions of African girls are still circumcised in traditional 'rites of passage' because they have no system of protection from relatives and communities. Orphans in Swaziland are so disenfranchised that they are mostly unable to access the few social services the government offers. Trafficking of children, especially girls, remains a serious problem throughout the continent. Even under the best of circumstances, the African child is the last to be protected by social programs. Vulnerable youth—those affected by HIV/AIDS, conflict, poverty, or natural disasters suffer disproportionately and often are unable to access services.

ILLUSTRATIVE STRATEGIES:

- **Care of orphans and vulnerable children expanded and improved**
- Increased access to and use of government social services by youth
- Reduced teen pregnancy and increased daycare for young parents
- Youth leadership skills for improving slum conditions encouraged and developed

4. COUNTRY PRIORITIZATION MODEL

This model applies to both TD and FS countries. The final prioritization number for each country is arrived at through the following formula:

Potential Development Impact (Here, MCA eligibility is a proxy: 3 points for MCA Compact elegibility, 2 for MCA Threshold eligibility, or 1 point)
+
Other foreign policy importance to the U.S. Government
+
an inverted measure of the World Bank's *Country Policy and Institutional Assessment* (CPIA) 1/CPIA

X
the severity of problem index.

The severity-of-problem index is calculated as follows:

1 point if Youth as % of adult pop > 35%
1 point if the urban growth rate > 4%
1 point if the 5-year average GDP/capita growth rate is < 2%
3 points if the average GDP is < $400; 2 points if < 1200; otherwise 1 point
1 point if the adolescent fertility rate is > 100
1 point if youth literacy < 81%
+ CMM Risk Factors, which are 1) youth bulge of > 35% of adult pop, 1 point (so this factor gets a high weight); 2) negative average 5-year GDP growth rate/capita, 1 point (ditto, although only if < 0); 3) political restrictiveness, 1 point; 4) regime type, 1 point for factionalizing regime

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Youth TD Prioritization Chart

Country	Potential development impact (MCA or MCAT)	Other foreign policy importance to USG	CPIA 2003	Youth as % of Adult Population	Urbanization Rate 2000-2005	Urban Growth Rate 2000-2005	Adult HIV prevalence rate 15-49	Slum Pop as Percent of Urban	% pop w/ improved drinking water sources	% pop w/access to improved sanit	5-year Ave GDP/Capita Growth Rate 1998-2002	GDP per capita (in constant 1995 $)	Severity of Urban Problem	Priority countries for urban w/o USG FP	Priority countries w/USG FP
Mozambique	3	3	0.3	0.33	3.34	5.09	12.2	94.1	76	51	6.26	223	10		63
Kenya	2	3	0.4	0.39	2.97	4.42	6.7	70.7	89	56	-1.13	322	11		59
Nigeria	1	4	0.2	0.35	1.82	4.35	5.4	79.2	72	48	-0.12	248	11		57
Madagascar	3	2	0.6	0.35	0.77	3.61	1.7	92.9	75	49	-1.68	215	10		56
Mali	3	2	0.4	0.37	2.17	5.17	1.9	93.2	76	59	3.97	309	10		54
Benin	3	2	0.5	0.38	1.74	4.39	1.9	83.6	79	58	2.50	443	9		49
Malawi	2	2	0.4	0.41	2.57	4.58	14.2	91.1	96	66	-0.90	157	11		48
Lesotho	3	2	0.4	0.38	0.73	0.87	28.9	57	88	61	-0.62	648	8		43
Zambia	2	2	0.4	0.41	0.77	1.93	16.5	74	90	68	0.44	422	9		39
Senegal	3	2	0.6	0.37	1.46	3.86	0.8	76.4	90	70	1.90	618	7		39
Tanzania	2	2	0.8	0.21	3.01	4.94	8.8	92.1	92	54	3.27	207	8		39
Uganda	2	2	0.8	0.41	0.65	3.9	4.1	93	87	53	2.41	359	8		39
South Africa	1	5	1.0	0.31	0.84	1.43	21.5	33.2	98	86	1.10	4020	5		35
Djibouti	1	3	0.3	0.14	n/a	n/a	2.9	n/a	82	55	-0.87	734	8		34
Rwanda	1	2	0.5	0.38	9.42	11.59	5.1	87.9	92	56	4.69	295	9		31
Sao Tome and Principe	2	2	0.2	n/a	n/a	n/a	0	2	89	32	1.12	355	7		30
Niger	1	1	0.3	0.37	2.46	6.08	1.2	96.2	80	43	0.36	209	12		27
Burkina Faso	1	1	0.6	0.37	2.08	5.03	4.2	76.5	82	45	1.42	281	10		26
Guinea-Bissau	1	1	0.2	0.34	2.41	5.35	0	93.4	79	57	-6.00	162	11		24
Botswana	1	2	1.0	0.41	0.91	1.77	37.3	60.7	100	57	3.92	4102	6		24
Namibia	1	2	1.0	0.37	1.63	3.04	21.3	37.9	98	66	1.22	2203	6		24

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Ghana	3	2	0.6	0.35	1.06	3.22	3.1	69.6	93	74	2.75	429	4		22
Mauritania	1	1	0.7	0.36	2.15	5.13	0.6	94.3	63	64	2.68	503	8		22
Swaziland	1	1	0.3	0.39	0.58	1.38	38.8	n/a	87	78	0.25	1553	8		18
Cameroon	1	2	0.3	0.37	1.56	3.39	6.9	67	84	63	2.37	700	5		17
Gambia	1	1	0.3	0.35	-0.08	2.58	1.2	67	95	72	0.72	356	7		16
Gabon	1	1	0.2	0.35	0.9	2.69	8.1	66.2	95	37	-1.63	4323	6		13
Mauritius	1	1	1.0	0.21	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4		12
Seychelles	1	1	1.0	n/a	n/a	n/a	0	2	100	n/a	1.32	8071	4		12
Cape Verde	1	2	0.8	n/a	n/a	n/a	0	69.6	86	61	3.64	1585	3		12
Equatorial Guinea	1	1	0.2	0.34	n/a	n/a	0	86.5	45	60	23.84	2444	5		11
Comoros	1	1	0.2	0.25	n/a	n/a	0	n/a	n/a	n/a	n/a	n/a	4		9

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I. CONFLICT FUNDS PRIORITIZATION

Conflict Prioritization for TD

Bilateral and NPC	score
Uganda	16
Kenya	14
Rwanda	13
Nigeria	13
Senegal	12
Mali	11
Ghana	10
Burkina Faso	10
Malawi	10
Tanzania	10
Zambia	10
Lesotho	9
Sao Tome	9
Benin	8
Cape Verde	8
Madagascar	8
Mozambique	8
Cameroon	8
Niger	8
Guinea Bissau	8
Mauritania	7
Gambia	7
Swaziland	7
Equatorial Guinea	7

Bilateral and NPC	
ESA	14
WARP	10
RCSA	9

PRIORITIZATION OF CONFLICT FUNDS IN TD COUNTRIES

The Conflict Prioritization Matrix, which was the basis for the prioritization rankings in the consolidated table above, summarizes priority TD countries for conflict programs and funding.

1. MCA Status is used as a measure of potential positive development impact. MCA Threshold countries are more likely to demonstrate progress in the short-term in the area of Conflict. Investing

conflict resources in these countries is critical to prevent backsliding. MCA Eligible countries also score points because funding is likely to go farther in these countries than in the non-MCA countries.

2. Hybrid Countries (Rwanda, Uganda, Nigeria) are on the cusp of fragility and therefore score extra points. This criterion gets at the country need for assistance in the Conflict sector.

3. Political Stability is a measure of the likelihood that a country's government will be overthrown. Countries that rank lower under this indicator score more points based on their need for Conflict assistance. This category relies on the Kaufmann and Kraay Political Stability Index, which includes consideration of "neighborhood" issues.

4. Peace/Mitigation/Reintegration Objectives are the three Conflict objectives formulated by the Working Group, which asked Missions to prioritize which objectives were most important to them. Those that ranked a Conflict objective at all (not all TD country Missions did) scored extra points because the potential for impact should be greater where a Mission indicates that Conflict assistance is a priority.

5. Regional platform scores (a) aggregate countries by the relevant regional platform (ESA, RCSA, and WARP), (b) average country level information (captured by the indicators above) for each regional platform, and (c) are weighted by the number of countries and high scoring countries under each regional platform. For example, REDSO/ESA shows up highest since more countries in that region are ranked highly on the bilateral table.

J. EMERGING ISSUES

A *small* number of additional issues emerged through the Africa Strategic Framework development process that merit special attention. Because of Bureau resource constraints they are not currently included as separate sectoral objectives. Nevertheless, as appropriate and as human and financial resources from across the Agency allow, the following issues may be appropriate to consider for country or regional strategies. However, it is important to be clear that these are not intended to replace or in any way diminish the prominence of the core goals and objectives, either at the framework or sectoral level, that are laid out in this strategic framework.

Environmental threats to human health: The WHO estimates that up to 70 percent of children who die in Africa succumb to causes linked directly or indirectly to environmental risk factors including inadequate access to safe drinking water; poor hygiene and sanitation; disease vectors; air pollution; chemical hazards; and unintentional injuries. Urban environmental health issues are of particular concern as African cities and towns experience the highest growth rates in the world, contributing to urban crowding and unmet demand on urban water and sanitation systems and other features of the urban landscape. USAID environmental health activities could focus on access to safe drinking water and sanitation, using approaches that leverage resources and promote sustainability. This includes activities such as partial loan guarantees mobilizing local capital for investment for financially viable water delivery infrastructure, and public-private partnerships building rural water and sanitation infrastructure such as the West Africa Water Initiative. USAID programs could also promote sustainable urbanization by addressing the rural-urban continuum and promoting a more balanced use of natural resources benefiting urban centers and their adjacent peri-urban and rural jurisdictions while pursuing integrated social and economic objectives.

Higher Education: The USAID Strategy for Education approved in April 2005 posits two broad but complementary objectives: promoting equitable access to quality basic education; and (beyond basic education) enhancing knowledge and skills for productivity. As defined by the Agency, basic education includes all program efforts aimed at improving early childhood development, primary education, and secondary education (delivered in formal or informal settings), as well as training for teachers working at any of these levels. The phenomenon of "brain drain" highlights the need to improve quality of the region's higher education institutions. In fragile states, higher education institutions play a role in building local capacity across all levels and sectors to mitigate conflict and stem the flight of intellectuals that conflict

engenders. In line with this reasoning and responding to emerging needs, education programming in Africa could include objectives focused on improving job readiness and on enhancing the capacity of higher education to contribute to development. Indeed, higher education programs are already being funded in Africa through EGAT in technical areas such as health and agriculture. Integrating this level of programming into the strategic framework for Africa would reinforce this collaboration and promote greater strategic complementarities.

Workforce Health: Workers' health affects their ability to participate in society and contribute to productivity increases and growth. Communicable diseases constitute major constraints to workforce productivity in Africa. Malaria-affected regions tend to have lower worker productivity and lower per capita incomes than other regions. HIV/AIDS is also having a pervasive impact on the workforce. HIV/AIDS erodes morale, lowers productivity, and weakens confidence in the future. HIV/AIDS affects the most economically active age groups and reduces the quantity and quality of labor. Skilled professionals are being lost in all sector of development due to HIV/AIDS and tuberculosis including, sadly, both health and education. While the number of new HIV infections increases, the total number in the health workforce is decreasing and this causes considerable strain on an already overtaxed health care system. HIV/AIDS not only destroys human capital—it also weakens the transmission of knowledge and abilities from one generation to the next, which can negatively impact sectors like agriculture. Promoting health of workers and improving working conditions will be critical for achieving sector goals in both transformational development countries and fragile states.

Non-Communicable Diseases (NCD): Non-communicable health problems include cancer, violence, injuries from other causes, alcoholism, cardiovascular diseases, etc. Although emerging as an issue in many African countries and figuring on host government agendas, NCD may pose less of a burden on the people of Africa than the diseases and health problems that are predominately killing young children and mothers as well as TB, malaria and HIV/AIDS which are affecting adults in their productive years. Therefore, the focus should be on assisting countries determine the relative importance of the various conditions that fall into this category (cancer, violence and injuries, cardiovascular disease, etc.) and supporting targeted field research on appropriate interventions. The guiding principle for programming is for selected countries to begin to develop databases, strategies and capacity to address priority NCDs that are jeopardizing the health status of significant numbers of their population. Strategies should first aim to control the main risk factors associated with a NCD in the community and change awareness and practices of both the public at large and healthcare providers in a well-integrated manner supported by an appropriate enabling environment.

ANNEX 2: FRAGILE STATES FRAMEWORK

A. EXPANDED FRAGILE STATES NARRATIVE, CHARACTERISTICS OF FRAGILE STATES, AND SECTORAL INPUTS

While all states are fragile in some respects, this is especially true in Africa, where there are high levels of poverty, democracies are young and societies face the human and institutional toll of the HIV/AIDS pandemic and recurrent natural disasters. Sub-Saharan Africa is today better governed then ever before in modern history. However, there are also countries that are vulnerable to crisis, in crisis or emerging from crisis that either can not assure, will not assure, or demonstrate a growing inability to assure the provision of basic services and security and to deliver what citizens need to live decent, secure lives. There are countries that are unable to manage natural or man made stress and as a result their ability to function effectively is eroding. Some suffer from bad governance and lack rule of law, making it easy for organized crime, terrorist networks or conflict financing systems to operate with impunity. Some are unable to stand up to geopolitical competition; in others corruption distorts markets and policies to the extent that inefficiency erodes legitimacy. Their instability can spill over their borders and create a conflict dynamic affecting neighboring countries. Working with them is difficult and costly and carries significant risks. Therefore, rather than achieving development goals USAID seeks to promote the conditions necessary for development – to avert and resolve conflict and to manage crisis, promote recovery, stabilization and democratic reform. Destabilizing factors are multi-dimensional requiring integrated cross-sectoral responses.

Strategic interventions will be tied to the causes of vulnerability where USAID can have an impact, whether these causes be environmental (lack of a sufficient resource base to support the population); economic (stagnant or failing economies dependent on natural resources which have horizontal inequality); political (authoritarian and undemocratic political systems that are exclusionary, un-transparent and unaccountable); social (demographic factors, conflicting identities and HIV/AIDS); or a result of violent conflict. Responses will vary depending on the causes of vulnerability and whether the county is facing a crisis, in crisis or emerging from crisis.

CHARACTERISTICS AND RESPONSES:

COUNTRIES VULNERABLE TO CRISIS:

There is often a history of conflict with sources of tension never resolved; there is a lack of accountability, rule of law and government legitimacy; there is inequitable access to and distribution of resources; widespread perceptions of unfairness, weak governance, and a lack of public participation; there is a vacuum in public services, a lack of education/job opportunities and social trust; and/or there is a lack of capacity or lack of political will or both to create an enabling environment where citizens (female and male, young and old) can flourish.

Responses may include focusing on improving governance; supporting participatory decision making structure with the direct involvement of marginalized communities; helping to analyze and address vulnerabilities while strengthening potential mitigation factors; upgrading conflict management and mitigations skills; reinforcing safety nets; diversifying livelihood strategies and preventing asset depletion; promoting household and community resilience; strengthening service delivery mechanisms and helping to make them more sustainable without absolving government of its core responsibility; strengthening constructive engagement between civil society and government; promoting necessary reforms; increasing transparency, rule of law and access to justice; strengthening human capacity and professionalism; and helping the government and civil society to develop strategies for positively channeling their energies while providing incentives to turn potential spoilers around.

COUNTRIES IN CRISIS:
They are at war and/or have significant internal conflict; they are unable or unwilling to protect their citizens from physical harm; they experience poor and often shifting (as territories exchange hands) governance; their governments lack legitimacy and accountability; there is little to no rule of law; their social fabric is highly stressed (by family/community breakdown, dislocation and death); sources of difference (ethnicity, religion, livelihood) are manipulated by opposing forces; there is an absence or near absence of essential services; safety nets do not function; and there is often a sense of fear, helplessness and sometime psycho-social trauma.

Reponses may include providing for basic human needs; supporting local, national and regional efforts to promote peace; and protection while 'doing no harm' and recognizing that some states should be allowed to fail if it has become clear that the survival of the state comes at the expense of the survival of its citizens.

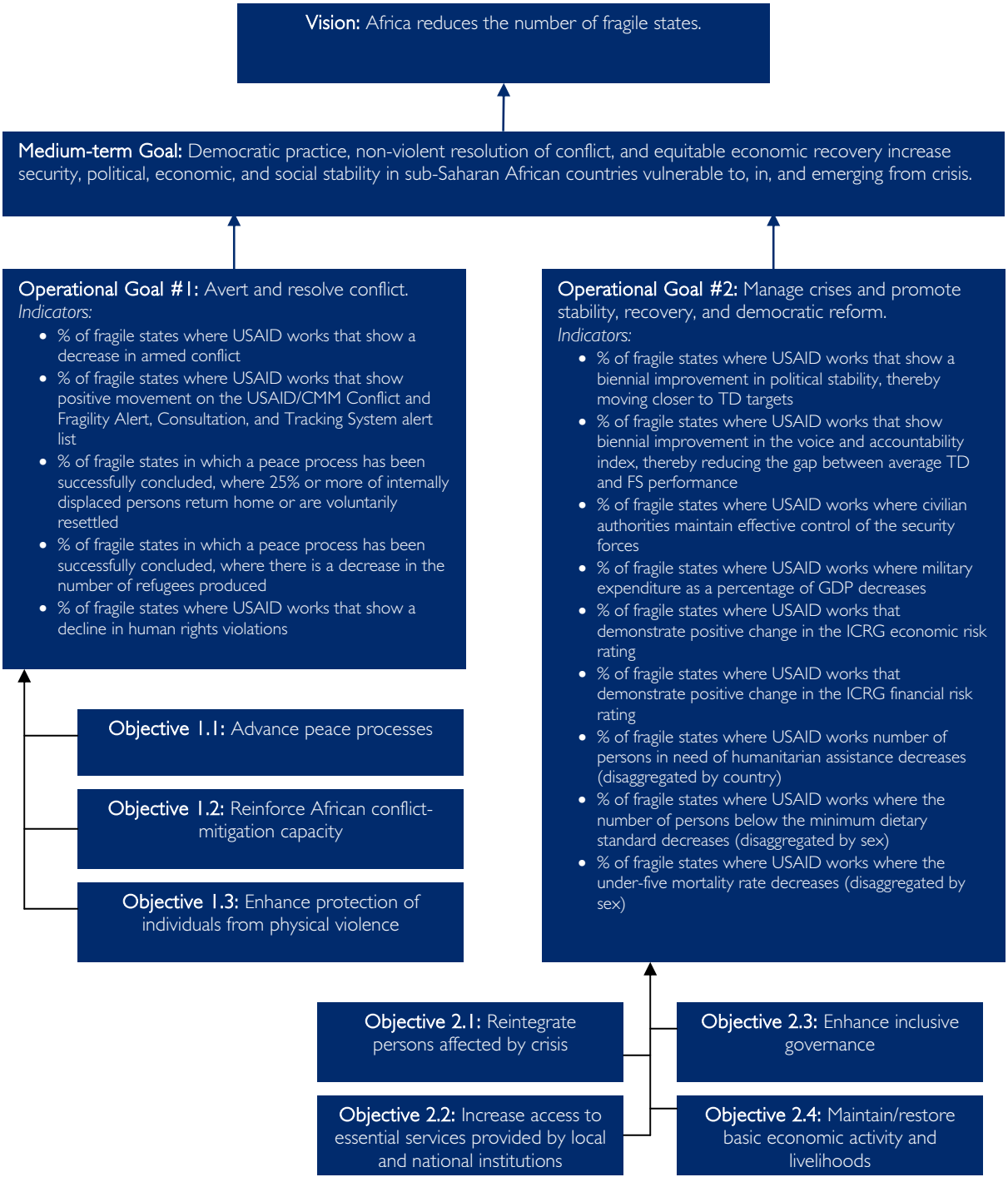
COUNTRIES EMERGING FROM CRISIS:
There has recently been a peace agreement or a democratic transition; government has established a monopoly over the use of force; demilitarization and the return of refugees and IDPs takes place; there is increased flow of information and greater willingness to publicly discuss politics and sensitive issues; the population has high hopes and expectations; government takes on an enabling role that gives rise to a nascent civil society, more public services and increased opportunities for trade and other business; there is a reduction in the need for humanitarian assistance; fear is replaced by hope. And, while there are often hangovers of poor governance, corruption and opacity, there is a profound opportunity for reform, reconstruction and stabilization.

Responses may include supporting and consolidating the peace processes; re-establishing security for all; disarmament, demobilization, reintegration and reconciliation; promoting good governance, transparency, accountability, participation, and the rule of law; supporting priority (as defined by citizens) social services provision in an equitable manner; helping to put in place policy frameworks, market infrastructure, and skill development to stimulate the private sector and economic activity that will benefit all sectors of the population; and where necessary providing incentives to change the behavior of those who benefited from crisis.

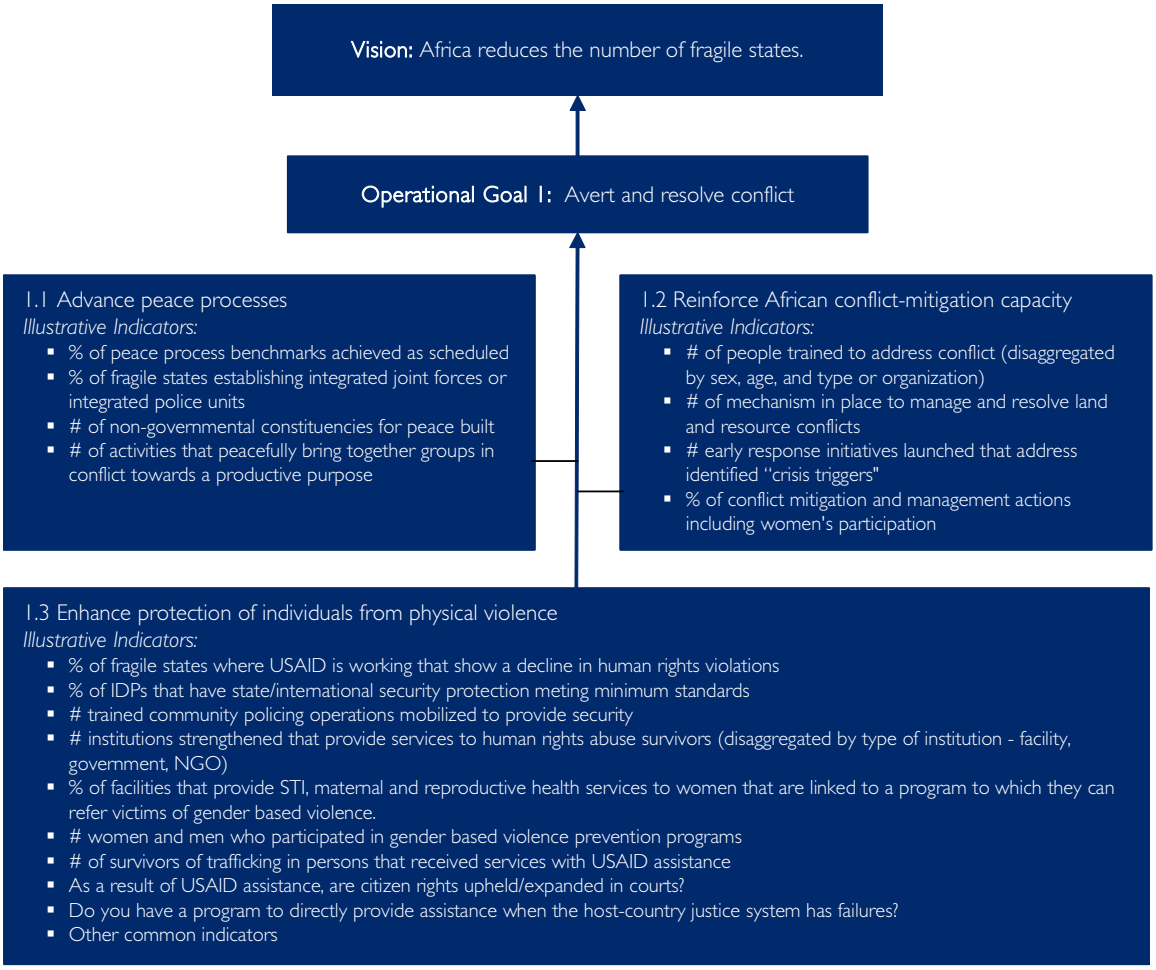
CROSS SECTORAL AND CROSSCUTTING NATURE OF RESPONSES:
Governance, the lynchpin to recovery, is needed in all sectors and all sectors can contribute to the achievement of each of the objectives stated in the Framework for Africa. Health and humanitarian assistance can provide bridges to peace, building constituencies for peace as access is negotiated for polio immunizations or the delivery of emergency relief goods; and peace markets can be established to promote trade between otherwise conflicting parties. Education can provide an anchor for children traumatized by the atrocities of war and abduction into armies; it can serve as a means for their psycho-social rehabilitation as well as their reintegration back into home communities. Livelihood support can be provided to those vulnerable to trafficking and is a critical element in successful reintegration programs. Skill development, training, basic health care, access to water and credit are all essential services without which reintegration, recovery and stabilization will not happen.

As noted above activities should be strategically selected to ensure impact on the drivers of fragility and framework results. Activities should be programmed jointly to maximize synergy and impact with partners undertaking cross sectoral programming and sectors contributing funds to mission wide mechanisms to improve governance, build peace and /or achieve the rest of the fragile states objectives for Africa.

Fragile States Framework



Fragile States Operational Goal 1



Fragile States Operational Goal 2

B. DEMOCRACY AND GOVERNANCE

1. BACKGROUND

As stressed in USAID's Fragile States Strategy, great flexibility and creativity are essential for responding to the unique problems and limited political openings posed by fragility. Hence, the list of potential democracy and governance (DG) responses is quite broad. However, in practice, only certain elements of the lengthy list of potential responses found in the illustrative activities table at the end of this annex are applicable at any given phase of host-country fragility and/or recovery. The universe of potential DG responses may be narrowed by three principal factors:

Foreign policy priorities and donor coordination: The U.S.G only rarely plays a leading role in responding to crises in Africa. (Current exceptions are Liberia, Sudan, and Ethiopia.) Typically, funding and political will to engage overtly in conflict mitigation constrain USAID's options. On the other hand, USAID is generally able to coordinate its assistance with other donors to carve out a programmatic niche, and to support embassy initiatives to advance prospects for peace.

Timing and sequencing: Many of the fragile states objectives relate to a specific phase of vulnerability, crisis and recovery. Not all the listed DG responses would be appropriate in all phases of a fragile state's trajectory from vulnerability to crisis to recovery. However, support for human rights protection, peaceful political processes, and free, objective and independent media are key priorities in virtually all fragile states.

Windows of opportunity: In most fragile states, a combination of closed political systems, emergency measures and restrictions, and security concerns (e.g. no-go areas due to conflict) sharply limit USAID's potential DG responses. As a result, only a few of the many suggested elements may be practical in a given country at a certain stage of crisis.

2. PROGRAMMATIC OPTIONS

Unlike effectiveness, which cuts across development sectors, host-government political will is fundamentally a DG issue. As noted in the Fragile States Strategy, political will to reform, which is a key element of legitimacy, should condition the USAID response in any fragile state. Ultimately, legitimacy should be derived and determined by the host country population, but in some fragile states, measuring public opinion is difficult if not impossible. However, in the absence of accurate statistical information about legitimacy based on public opinion, political will to reform can be tracked using the proxy indicators. USAID's analyses of local conditions, derived independently or through its interactions with local partners, are critical inputs into the U.S.G's overall assessment of the level of political will of the government.

In states where the government is deemed to have a low level of political will, the Fragile States Strategy notes that "programs often shift to nongovernmental and private sector actors, and that "effective diplomatic initiatives and donor coordination will be essential to send unified messages and coordinated approaches." The Africa Bureau recommends interpreting and expanding these passages as follows:

- Include efforts to strengthen peaceful and legitimate alternatives to an illegitimate government or a government reluctant to reform, as a principal means of promoting peaceful, democratic change as an alternative to conflict. In these cases, USAID should move quickly to pursue the waivers needed to support peaceful political alternatives.

- Discontinue USAID programs in which assistance provided on behalf of U.S. taxpayers subsidizes or replaces government services that an illegitimate regime is unwilling to provide. (Note: humanitarian assistance would be the exception, since it is, by its nature, unconditional.) In these environments, significant and measurable political reforms should be a pre-requisite for USAID assistance to support services or activities normally construed as the responsibility of government. As USAID's rich experience in Africa makes clear, supporting bad governments does more harm than good over the long term.

- Place USAID assistance in fragile states, and the results to be achieved from such assistance, in the context of overall U.S.G policy toward a particular government. USAID's effectiveness in dealing with the core issue of host-government legitimacy is heavily influenced by higher-level foreign policy priorities, diplomatic pressures, and the coherence of the entire U.S.G strategy for a particular fragile state. Therefore, USAID's program impacts need to be measured and placed in that context. At the same time, we recognize that USAID's analysis and inputs are invaluable to decision-makers: they can and do play an important role in policy formulation, particularly in Africa.

In the DG sector, USAID activities in fragile states differ from those in transformational development countries in terms of their objectives and time frames. In fragile states, DG activities reflect the short term imperatives for protecting vulnerable people. These include introducing basic democratic concepts – such as independent peace radio – as a means of stabilizing the political system, monitoring and documenting human rights violations, supporting reformers in and outside of government, making every effort to avert conflict, facilitating the peaceful transfer of power, mitigating conflicts, and supporting the creation of key governance institutions. In transformational development states, the focus is on the longer-term challenges of expanding democratic principles and practices and strengthening institutions. In other words, DG programs in fragile states are concentrated on providing human security, protecting basic rights, and laying the groundwork for a stable political system. In transformational states, the focus is on consolidating reforms, encouraging greater participation, and promoting better governance.

Despite these differences, several commonalities exist. With the exception of transitional institutions and other temporary structures or processes, many of the principal partners in this sector are likely to be the same: civil society, the private sector and the media; government actors outside the direct control of the president, including the legislative and judicial branches, municipal authorities, and other sub-national governments, and watchdog bodies such as anti-corruption commissions; and in cases where political will is adequate, executive ministries themselves. Greater focus should be placed on the triggers of potential conflict, including human rights issues and political processes, where the stakes are higher and the learning curve is steeper than in most transformational states.

With these similarities and weaknesses in mind, it would be relatively easy at a technical level to create a program for countries on the "cusp," or to transform a program from TD to FS or vice-versa. One concern is the potential bureaucratic obstacles that might limit the flexibility of missions to create a hybrid program, or to make the switch from one category to another. The Africa Bureau recommendation is to make these processes as painless as possible, while ensuring that appropriate technical, budgetary and policy reviews will be conducted to assist the mission.

Geographic focuses for DG programming in fragile states may include: Northern Uganda, Southern Sudan, the Mano River Union countries, Côte d'Ivoire, the Great Lakes region (DRC, Rwanda, Burundi), Ethiopia, Somalia, the Sahelian region, and Zimbabwe. Several non-presence countries are included in these regions.

3. COORDINATION

Partners for DG programming in fragile states include:

- Human rights monitors
- African regional organizations (IGAD, AU, SADC, ECOWAS, etc.)
- U.N. agencies
- Other international donors (donor harmonization is key; Somalia is a good example of where this is working well)
- Private sector, such as extractive industries such as petroleum and mining companies
- PVOs that stress local capacity building, and that are capable of transitioning from relief to development

- African local, national, and regional NGOs that specialize in targeted geographic or technical areas (e.g. conflict resolution, human rights protection, or service delivery)
- Depending on the situation, the host government, its political opponents, or both

USAID and U.S.G earmarks and initiatives that can be absorbed as we contribute to averting and resolving conflict and promoting stabilization include:

- Victims of Torture
- Leahy War Victims Fund
- Displaced Children and Orphans' Fund
- Trafficking in Persons Fund
- Kimberley Process
- Africa Conflict and Peace building Fund
- Other conflict-related monies
- Democracy and Human Rights Fund (DHRF): Make more strategic through dialogue with the State Department
- Economic Support Fund: Better coordination is needed requiring USAID participation in allocation decisions

4. REGIONAL APPROACHES

Given the extent of trans-border factors contributing to fragility, particularly those that may contribute to fragility in countries considered transformational, USAID must include trans-border approaches. The operating units responsible for this will vary on a case by case basis.

In general, in the Africa Bureau, the regional missions (or platforms) bear primary responsibility for responding to non-presence and limited presence countries. As a regional platform, this basic responsibility will remain paramount. In addition, regional platforms maintain responsibility for programming with regional intergovernmental organizations and regional civil society organizations. In the case of the African Union in Addis Ababa, and the future home of the African Parliament (in South Africa in the future), there will likely be a shared responsibility between a regional platform and a bilateral mission. Bilateral missions in Ethiopia and South Africa will undoubtedly have a significant role to play, given the nearby presence of these significant institutions.

Operating units responsible for specific cross-border interventions will vary again on a case by case basis. In cases where there are two bilateral missions on each side of a cross-border dynamic (such as the Sudan Field Office and the mission in Uganda), the best placed units may be the bilateral ones in working together. Bilateral units are most tuned into local political dynamics and nuances. However, regional platforms would provide critical technical assistance to such programs. In cases where there are no bilateral missions or just one, the regional platform will have a lead role to play.

5. MEASURING PROGRESS

Showing results in the DG sector will require a commitment to annual assessments of the drivers of fragility, and an evaluation of USAID's program impact as a component of the overall U.S.G effort to avert and resolve conflict.

C. EDUCATION

1. BACKGROUND

Fragile states present not only challenges for reconstruction but also significant opportunities for reform of education systems. Such reform opportunities provide unique openings for creating sustainable, gender-sensitive structures, systems, and policies that are truly reflective of current country conditions instead of rebuilding old structures and systems that have failed. It also provides an opportunity to learn from neighbors and other countries, reflect on their innovations and successes, and put into practice those ideas that meet the needs of the local populace. In fragile states, an education response will not only address the provision of basic numeracy, literacy, and life skills (themselves stabilizing influences), but will also support and promote peace and stability. The challenge of simultaneous reform and reconstruction at a time of constrained human, financial, and institutional resources and considerable urgency calls for particular attention to priorities and sequencing of interventions.

The USAID Fragile States Strategy recognizes the uniqueness of crisis and post-crisis environments and that "each fragile state will require careful analysis of the specific situation to determine the most appropriate combination of strategies for averting crisis and mitigating the impact of conflict and crisis." The following discussion identifies challenges and emerging lessons learned and how they may be applied to a program that complements the Fragile States strategic programming components and reflects on-the-ground realities.

All individuals have a right to education as articulated in many international conventions and documents. The Education for All challenge is to ensure that a country's population attains a high enough level of basic education to contribute to economic and social development.

For the education sector, the heart of the Fragile States Strategy is the stabilization of society, the promotion of peace and good governance, and opportunities to develop a sustainable and socially responsive education system. The importance of education in fragile states cannot be underestimated: education changes behavior. All other activities in which donors engage in change environmental and living conditions, but education changes how people approach life itself. Education in emergencies, and during chronic crises and early reconstruction efforts, can be life-saving and life-sustaining. It saves lives by protecting against exploitation and harm and disseminating key survival messages, on issues such as landmine safety, sustainable agricultural practices, and HIV/AIDS prevention. It sustains life by offering structure, stability and hope for the future during a time of crisis, particularly for children and adolescents. Education in emergencies also helps to heal the pain of bad experiences, build skills, and support conflict resolution and peace building.

2. PROGRAMMATIC OPTIONS

Fragile states present an opportunity to create structures, systems and policies and the goals and objective frameworks can only be characterized as rudimentary and generic. Each country context will determine how USAID support is best directed. Following are some general ideas/principles that can form the foundation of a fragile state strategy and show what the programmatic implications of those principles would be.

Fundamental principles guiding a Fragile State Strategy:

- The focus of USAID support is to re-establish (or in some cases establishing for the first time) legitimate educational services.
- Social infrastructure gets built from the community up, and education presents a galvanizing issue around which communities can reconstruct social infrastructure.
- Schooling as a community-based activity needs to be established first, then systemic issues can be addressed (the tendency is to try and rebuild the system, rather than reestablishing formalized provision of schooling).

- Locally organized schooling and the social infrastructure that accompanies it are what the system should be structured to support (e.g. through funding, the establishment of quality standards, and the creation of technical support mechanisms).

- Only through partnering with communities and organizations that have on-the-ground presence can the state construct a system that actually supports local schools (as opposed to trying to rebuild various layers of state education bureaucracy that even in best of circumstances do a poor job of actually reaching schools with support).

Fortunately, there is enough experience around the world applying these principles – e.g. when organizing schools in emergency situations, developing community-based approaches to schooling, or providing educationally sound alternatives to bureaucratically managed schools – that USAID can draw on that experience to formulate a fairly specific portfolio of strategies that would respond to the needs of fragile states.

Lessons learned by USAID's current education assistance in Africa highlight the need for programming approaches that balance short-term, quick impact activity implementation related to service provision with long-term structural reform that will enhance legitimacy. Other tensions include: balancing building systems and delivering services; greater demand for structures and services than governments can meet; and higher costs associated with activity implementation in an infrastructure poor environment.

The programmatic approach would be primarily defined by rapid development and deployment of locally based models for basic education provision. Community-based schools, with teachers recruited from among the local population, would be organized and supported through partnerships with international and local NGOs. NGOs would provide support first to creating community infrastructure for organizing a school – forming a school management committee, working with community leaders and parents to identify school age children, getting community members to identify potential teachers. NGOs would also provide the training and support to ensure that the emergent community infrastructure is genuinely representative and democratic. Educational expertise would also be provided – in the form of curricular content and materials, instructional methodologies, teacher training and support.

The organization of schooling would be inherently decentralized so that communities can determine the hours, days and calendar for school that conforms to their local needs. System functions of curriculum standards and assurance of quality would be managed by NGOs, working in conjunction with local educational authorities when remnants of the ministerial system are in place. The support services therefore could be put in place at the decentralized level where they are needed, rather than through cascade approaches employed through formal ministerial structures.

At the sub-national and national levels, USAID and its partners would work to build system policies that support the emerging local schooling infrastructure. For example, policies that allow for local recruitment and hiring of teachers, or that permit the school calendar and hours of operation to be determined at the school level, will be needed, as opposed to the centralized policies most countries impose on their schools. Also, USAID would support the development of policies and procedures for the establishment and implementation of formal partnerships between educational authorities and local and international NGOs. Mechanisms for channeling public education funding through those partnerships would also need to be defined, tested and managed. This implies supporting the development of government capacity to establish and manage partnerships and to oversee a pluralistic, inherently decentralized education system.

This also implies the need to support transparency and public accountability systems that will ensure that the multiple local endeavors are all held to outcome-based performance indicators. By design, communities will be organizing schools based on local needs and local resources. What matters is whether those schools can produce results. USAID should support an emphasis on results (the objective is education, not creation of an educational bureaucracy). Outcome standards would need to be established, and USAID could support government development of such standards (e.g. national measures of proficient performance in language

and mathematics). USAID could also support the development and proliferation of standardized instruments for assessing student performance and help construct the education information systems governments could use to track enrollment, attendance and outcomes at the local, sub-national and national levels.

A key component of our approach is peace education, which will be tailored to those states that are vulnerable, in crisis, and coming out of crises. In vulnerable states, there is a need to teach conflict prevention and mitigation in an effort to help citizens address their issues to avert conflict. This focuses on the individual, and can be taught at school through examples and stories while teaching basic literacy and numeracy. This is particularly important for children, as they go home and share their lessons with adults who, by spread impact, are also exposed to the concepts. Teachers and counselors will be trained to further the impact of conflict prevention and mitigation. In states in crisis, the focus moves from the individual to group training for trauma recovery and conflict resolution. The final step of peace education takes place in states coming out of crisis where the focus is on ways to move forward with life and have citizens equitably participate in their governance. This includes curriculum development and teacher training, learning materials, community involvement in education, and education sector reform to stabilize countries and begin progression towards transformational development.

3. COORDINATION

Due to the range of geographical, infrastructure and other challenges associated with the reconstruction and development, coverage and impact will be best maximized through harmonization and coordination with donors and stakeholders. This will necessitate working in a complimentary way with partners that have different geographical focus areas and programming specialization. A highly stressed priority of the agency is to work with local partners. We will advocate this approach and work with such partners as ADEA and FAWE, while collaborating with other donors and groups that can add value to our programming such as the interagency networks, WB, UNESCO, OTI, and others.

AFR/SD can greatly expand the impact of its education interventions by focusing on areas where OTI has conducted education activities. OTI provides education services such as skills training, literacy, civic education and remedial non-formal education to support the reintegration of rebel combatants and demobilization. This strategy proposes to build on the education foundations built by OTI in OTI -supported communities to ensure quality impact and maximize use of resources in a fragile state.

Earmarks and initiatives include: the Presidential Africa Education Initiative (AEI), the Basic Education directive, and the Higher Education directive (Association Liaison Organization).

4. REGIONAL APPROACHES

There is much that can and needs to be done from a regional platform as we cannot rely solely on what happens within a country to achieve the fragile states goals of averting and resolving conflict and promoting stability. There are teachers who are trained in Sierra Leone and Liberia, for example, who are in camps unable to return to regular classrooms. From a regional platform, trained talent could be redistributed to help avert and resolve conflict.

In many of the Missions there are no education officers. This means that AFR/SD will need to play a bigger role in providing the technical expertise to implement education programs in support of fragile state goals and objectives. There has already been a move to place New Entry Professionals in Africa Missions, but the distribution of expertise must be increased. This also means that there is a greater role for regional platforms to play in providing intermittent education technical expertise for program design and implementation.

Participant training is another big part of the approach for fragile states. Administrator Natsios has repeatedly said how important it is to train world leaders. Such training programs could also be conducted from a regional platform. Skills training programs for ex-combatants could also be launched from regional platforms.

The regional platform could serve as the nerve center to dispatch critically-needed technical expertise to transformational and fragile states alike. The fragile states and transformational states education frameworks

flow logically one into the other. The regional platform could cover the cross-border lessons and keep education programs vibrant.

There are circumstances in which it will be necessary to pursue both TD and FS goals. As we look at regions within countries, some regions may be considered fragile while the country as a whole is considered transformational. The management of both frameworks has implications for what technical expertise we need in the country to manage the programs, what can or should be done from a regional platform, and what assistance USAID/Washington must commit to the program.

5. MEASURING PROGRESS

It is suggested that USAID link its Education Fragile States Framework to the global *Minimum Standards for Education in Emergencies, Chronic Crisis, and Early Reconstruction (2004)* and recommendations in the World Bank report *Reshaping the Future: Education and Post Conflict* (2005). The global minimum standards have been developed by stakeholders from a variety of countries and institutions. The standards provide a neutral harmonized and flexible education framework through which education authorities may coordinate resources which respond to the needs of society at all levels.

Several features of the approach could be monitored to demonstrate progress not only towards educational objectives, but also towards the fragile state objectives of reintegrating persons affected by conflict, increased provision of essential services, and advancing participatory governance.

- The establishment of local committees for organizing and managing schools would demonstrate the emergence of participatory governance at the local level (where participation is most tangible). USAID could track the number of committees formed and use the opening and operation of schools as demonstrations of the productive functioning of those committees. Tracking the spread of schools in affected areas would provide measures of increased provision of services, as well as reintegration of persons affected by conflict. School enrollment and attendance would also demonstrate progress on that objective.

- The employment of local teachers would also provide a measure of economic re-integration; in addition, measure the provision of jobs to adults in numerous local communities.

- Children's regular attendance and persistence through several years of schooling and their actual performance in language and mathematics would serve to measure progress towards the educational objectives of increased access, completion and learning (the EFA goals).

- USAID could also track and report on governmental policies being put in place that support local schools as progress in building government capacity to oversee the provision of basic services. Specific objectives could be established for policies governing the teaching profession, school calendar, national curriculum, and state-private sector partnerships. USAID could support and track progress in official state recognition of community-based schools, such as the inclusion of those schools and students in national statistics, channeling of public funds to those schools, and official credentialing of community school graduates.

There is a direct relationship between TD and FS programming in the education sector. We are using some of the same indicators (literacy rates) that allow us to keep a finger on the pulse of the effectiveness of the education system. As we do comparative analyses of major education statistics, we will know when more concentration is needed in an area. The framework put forth for countries coming out of crisis feeds directly in the TD framework, such that any transition from one to the other should be smooth. Similarly, a move from TD to FS should also be feasible.

D. ECONOMIC GROWTH

1. BACKGROUND

Research points to a number of economic conditions that seem to predispose countries toward political crisis, including civil war. Chief among them are low average incomes with high levels of income inequality, economic stagnation or decline, and heavy dependence on primary commodity exports. These conditions apply to a relatively large share of countries in sub-Saharan Africa. By most accounts, the link between these conditions and vulnerability to conflict runs as follows: In a country or region heavily dependent on one or more primary commodity exports, the revenue generated by those commodities creates a strong temptation to try to seize control over those resources, either at source or at a port or other point of control. Low incomes and widespread poverty create a pool of potential recruits into rebel armies: the bleaker the prospects from work in the productive economy, the lower the "opportunity costs" of joining the rebellion, and conversely the more easily and cheaply emerging rebel leaders can mobilize an army. Finally, a pattern of economic stagnation or decline discourages any inclination to stick to productive work in hopes that the future will be better than the present. By this account, political or ethnic grievances are characteristically used to maintain the political cohesion of the rebel army, but are by themselves usually insufficient to provoke large-scale violence or civil war. Despite the success of the "greed" model in explaining vulnerability to civil war, not all conflicts necessarily follow this pattern. In some cases, like the Rwanda genocide of 1994, resource conflicts may take the form of low-level struggle over control of scarce arable land and fresh water, rather than high-level struggle over control of revenues from exportable natural resources.

Heavy dependence on natural resources can undermine economic governance through a secondary channel: to the extent that the government finds that it can obtain a satisfactory level of revenues through its control over those resources, this can undermine the government's motivation to deliver useful services to the public in implicit exchange for tax revenues. Over time, such negligence can contribute to economic decline and eventually expose countries to conflict. Here again, natural resources can act as a curse rather than as a blessing.

The available evidence further suggests that once countries descend into conflict, it is relatively difficult for them to emerge permanently from such conflict. Conflict typically causes economic decline and undermines future prospects for growth, exacerbating the problem of poverty and stagnation that made the country vulnerable to conflict in the first place. This is one reason why many countries remain embroiled in conflict for long periods of time, while countries that emerge from conflict remain highly vulnerable to falling back into conflict within the first few years.

2. PROGRAMMATIC OPTIONS

Prevention is better than cure. In general, the greatest opportunities for assistance to promote economic growth involve helping countries avoid the conditions that cause them to be vulnerable to conflict in the first place. In particular, successful efforts to promote faster economic growth, if sustained over a long enough period, will raise average incomes and reduce the prevalence of poverty, especially where pursued in conjunction with appropriate investments in education and health. Over time, broad-based growth will create peaceful opportunities that make it increasingly hard to recruit a rebel army. Similarly, ongoing growth and investments in human capacity generally lead to economic diversification over time, gradually reducing dependence on a few natural resources.

Countries vulnerable to crisis: the need for selectivity. Unfortunately, by the time political and economic conditions have deteriorated to the point where a country is externally recognized as vulnerable to crisis, the potential for development assistance to spur growth will often have declined as well. The country is no longer attractive to foreign direct investment. Economic governance is weak and corruption rampant. The slide toward crisis will very often cause leaders to focus on what they can do in the short run to remain in office, rather than on what is needed to promote broadly shared, sustained growth. In particular, this short-term focus can cause governments to use government resources (including those received as aid) and power to reward their political supporters and punish even non-violent political opponents, as in Zimbabwe.

As a result, in most cases it is unrealistic to expect growth-promoting assistance to rescue countries that have come to the brink of conflict. Rather, the challenge is to identify those cases in which governments demonstrate a clear and dramatic change in perspective and behavior, and are willing to commit themselves to a serious program of reform in economic policies and governance. Where such turnarounds are successfully identified, growth-supporting assistance—including efforts to reverse the deterioration of professional services; efforts to bolster legal, regulatory, and judicial functions affecting the private sector; and, in selected cases, significant budget support—can pay off in helping avoid further deterioration and, hopefully, place the country onto a sustainable growth path. The challenges to applying such selectivity successfully should not be minimized: as experience during the Cold War attests, governments that perceive that they are considered "too important to be allowed to fail" can respond in ways that further undermine the prospects for growth rather than increase them. To the greatest extent possible, decisions to support governments in fragile states should be based on clear evidence of a new commitment to reform. Actions should be taken more seriously than words. More generally, where there is no clear evidence of commitment to reform, aid should be redirected toward countries where it can do more good, while continuing to state a willingness to reward serious movement toward reform in the future.

Countries in crisis: selectivity squared. Economic growth activities will normally be applied on a highly selective basis among countries currently embroiled in conflict. In most cases, the selection process will be driven primarily by foreign policy considerations, where the United States has made a clear commitment to one of the parties in the conflict.

Countries emerging from crisis: large opportunities and large risks. By far the greatest opportunities for economic growth efforts arise with countries that have recently emerged from conflict. Research shows that for roughly a decade after the fighting ends, such countries tend to be relatively responsive to technical assistance aimed at improving policies, and moreover, that improvements in policies as well as financial assistance have an especially strong impact on growth in post-conflict countries. However, countries that have recently emerged from conflict tend to remain vulnerable to renewed conflict for a significant period—five years or more—with the threat gradually diminishing over time. Moreover, post-conflict countries seem to follow a fairly predictable pattern in terms of their ability to absorb development aid effectively: absorptive capacity is normally very limited in the immediate post-conflict period, rises to a peak in the middle of the post-conflict decade, and subsequently declines toward levels typical of other, conflict-free countries. For these reasons, it is important to resist the common temptation to offer high levels of donor assistance—addressed toward a wide range of development objectives—immediately after the end of hostilities. Rather, a more gradual ramping-up of assistance, along with careful sequencing, offer much greater potential for promoting sustained growth and movement away from renewed conflict. There is some evidence that support for the re-establishment of basic services, including basic education and primary health care, can play an especially powerful role in restoring stability in immediate post-conflict settings. Once these services have been restored, broader growth-promoting activities, including those aimed at promoting improved policies, may gradually be introduced. The particular content of this agenda depends on country circumstances, but efforts to restore and improve contract enforcement; reform commercial legal codes affecting food and agricultural trade; and to support greater dissemination of market information through the use of radio or other appropriate information technology may all prove helpful. Assistance to improve local capacity to plan and budget for key economic infrastructure can also be helpful, and may help to improve absorptive capacity more rapidly.

3. COORDINATION

To the extent that the prospect of controlling the revenues from natural resource exports is helping propel fragile states toward conflict or fueling current conflict, efforts to enforce greater transparency in the use of such revenues can help reduce the problem. Because oil, diamonds, and other contestable natural resources become difficult or impossible to trace back to source once sold into international markets, coordinated efforts are needed to ensure that all potential buyers adhere to the rules. For example, through the Kimberly Process, the United States has joined other governments in implementing a global system to certify rough diamonds, with the aim of ending the use of rough diamonds by rebel groups in order to fund insurrections.

Elsewhere, international oil companies buying oil from Angola have agreed to disclose publicly all payments to the government, thus providing a basis for tracing those revenues into the public budget. In addition, discussions on setting up an international certification process on timber are currently under way. Measures to increase the transparency surrounding trade in other natural resources have the potential to reduce high level corruption in many countries, as well as to reduce a prime source of funding for rebel movements.

In countries in conflict and those emerging from conflict, coordination with efforts to ensure physical security is essential for growth-promoting interventions to work. Where economic growth efforts are being pursued in certain regions of a country in conflict, their success is heavily dependent on the protection provided by military or other security forces. Likewise, research points to empowered peacekeepers as the single most cost-effective form of intervention in post-conflict countries, in part because they help prevent backsliding into renewed conflict, a pattern that is very common in the early years following the suspension of fighting. The longer new outbreaks of fighting are suppressed, the greater the chances for economic growth efforts to begin paying off and the lower the chances of renewed conflict.

4. REGIONAL APPROACHES

In principle, regional organizations such as the African Union's New Partnership for Africa's Development (NEPAD) can play a useful role in exerting pressure on member governments to act in ways that reduce the risks of conflict, both in the economic and political spheres. So far, this potential has been under utilized. Unfortunately, the reluctance of several African organizations to condemn blatant electoral fraud and conflict-stoking political and economic actions in Zimbabwe risks damaging the credibility of these organizations and calls into question the current willingness of African leaders to exert effective pressure on one of their own. However, the AU and ECOWAS were successful in condemning the 2005 coup in Togo and created space for a more democratic transfer of power.

5. MEASURING PROGRESS

Because poverty, low average incomes, and slow or negative growth predispose countries toward conflict, direct measures of these outcomes are the most revealing. Unfortunately accurate data on poverty is hard to find and is not usually collected often enough to demonstrate progress over the short term.

Further insight on progress or deterioration in the enabling environment for growth can be gained by examining trends in key indicators of economic policies and governance. The best-documented predictor of growth, the World Bank's Country Policy and Institutional Assessment (CPIA), remains subject to only partial disclosure by the Bank, despite recent statements promising an impending shift toward greater transparency. Currently, the Bank reveals only the quintile that each country falls into, both in the overall CPIA and in each of four underlying indicator groups. These rankings provide a general perspective on countries' policy environment, and could provide confirmation of cases in which major changes in policies had taken place. However, quintile rankings provide too coarse a measure to reveal more gradual changes in the enabling environment for growth.

An alternative data source is the international country risk guide (ICRG) rating system/ model for forecasting financial, economic and political risk using 22 independent variables. We are currently evaluating this data set in order to determine if it would be a more sensitive indicator of progress.

In addition, a new source of information on the enabling environment for growth has emerged in the World Bank's *Doing Business* series, published annually since 2004. This important and fully transparent dataset provides measures of performance in key areas of business regulation, including costs and delays in starting a business, in enforcing contracts, in getting credit, and other areas. There is clear evidence that these measures affect growth, and they may therefore offer an important source of information on the economic policies that play a role in pushing countries either toward conflict or away from it.

E. AGRICULTURE

1. BACKGROUND

Widespread poverty and hunger are root causes of political instability and fuel civil conflict in many parts of Africa. Malnutrition is a major contributor to childhood death in Africa as hunger interacts with major infectious diseases including malaria, tuberculosis, and HIV/AIDS to raise child mortality rates. Additionally, contested claims over land, water, and other agricultural inputs can generate instability and fuel tensions that may deteriorate into open conflict. The total cost to rural Africa is staggering in terms of human suffering, lowered economic productivity, and lost intellectual resources.

In states affected by conflict and crisis, agricultural development programs will be based on their contribution to stabilization, recovery, and reform. Such programs will focus on restoration or recovery to previous levels of production and productivity, support near-term reform measures, and adopt selected immediate steps to promote stability. Food security in humanitarian emergencies will require programs tailored to address acute crises as well as systemic failures and aimed to improve agricultural productivity, thereby promoting resilience and increasing the capacity to manage future crises and defuse resource-related conflict.

Agricultural and food security efforts to diminish the number and depth of crises will involve a variety of interventions such as policy reform, food for work, cash distributions to vulnerable people, stabilization of food stocks, and market-based seed assistance for vulnerable farmers. Emphasis will be given to protecting food security and agricultural production, especially of non-tradable commodities for domestic consumption; promoting sub-national policies related to environment and agriculture that ensure local access to productive assets; and maintaining the relationship between agriculture and trade with emphasis on local markets and meeting domestic consumption needs while protecting rural livelihoods.

2. PROGRAMMATIC OPTIONS

For countries in or on the brink of crisis, programs will be tightly focused on maintaining livelihoods and protecting food security. Examples of program activities include:

- Conducting social analysis of the agricultural sector to determine if rural issues (e.g., land tenure) are contributing to state failure;
- Devising conflict mediation strategies where different groups compete for contested resources;
- Maintaining essential components of transport infrastructure for transportation of agricultural commodities; and
- Promoting "peace markets" and trading days that allow circulation and trade of agricultural goods.

Programs in countries emerging from crisis will help restore economic activities more broadly as part of stabilization and recovery, re-establishing capacities all the way to the farmer level by working closely with the private, NGO, and government sectors. They will pursue interlinking objectives to increase food security and social resilience, build strategic information and decision support systems, and expand commercial smallholder agriculture. Examples of program activities in these countries include:

- Promoting the transformation of informal markets into formal markets with market-facilitating support services and institutions;
- Using food-for-work and asset-building incentives for the return and reintegration of displaced populations;
- Restoring market infrastructure and information systems including transport, storage, and distribution facilities;

- Facilitating non-discriminatory marketing credit and financing mechanisms, including those for microfinance; and
- Establishing public-private partnerships to promote agricultural recovery and trade.

3. COORDINATION

Sustaining agricultural growth and food security in fragile states requires careful coordination to be effective. The focus of agriculture programs in fragile states tends to be on maintaining or restoring or creating equitably levels of production (particularly of food crops) sufficient to support the population and ensuring the continued operation and security of markets for trade of production inputs and consumable outputs. Monitoring food security at the regional and sub-regional levels and ensuring adequate food stores while spurring renewed agricultural production is an inherently regional activity that requires inter- and intra-agency collaboration between development and humanitarian relief offices and organizations, host governments, and local partners. Such collaboration benefits from ties with regional bodies such as NEPAD (and its Comprehensive Africa Agriculture Development Program) and from regional research and support networks including those in the CGIAR system.

4. REGIONAL APPROACHES

Regional agricultural networks, like the CGIAR organizations and their regional counterparts, help attract and disseminate technologies that promote agricultural development and expansion vital to restoring the productive capacity and food security of fragile states. Regional approaches can support the creation and operation of strategic food reserves as a lifeline for countries experiencing acute food crises. They also can build upon the strengths of "good neighbors" bordering fragile states, supporting positive spillover effects in production and food supply and promoting viable market links. USAID's regional centers can help promote the sharing of lessons learned and support mutual research and agricultural extension interests, particularly where trans-boundary productive resources and environmental concerns are involved in the regeneration of sustainable agricultural practices and sustained food security across crisis periods.

5. MEASURING PROGRESS

Progress in agriculture and food security in fragile states will be measured in areas of renewed productivity (or prevention of productivity declines) and in levels of trade associated with functioning markets (formal and informal), particularly involving non-tradable agricultural outputs. Examples of relevant indicators include:

- Percentage of population below the minimum dietary standard
- Volume of basic food crops produced
- Value of domestic agricultural trade

F. ENVIRONMENT

1. BACKGROUND

Sustainable and equitable management of Africa's natural resources and protection of the human environment and natural ecosystems, while essential to safeguarding the region's rich biodiversity, are fundamental measures for the region's long-term economic growth, eradication of poverty, and preservation of peace. Access to and control over natural resources are among the most pressing governance issues confronting Africa's citizens, particularly in rural areas, and underlie much of the instability and conflict found in the region. Environmental stress or contention resulting from rising demand, unsustainable use, and inequitable access to resources can undermine livelihoods, leading to tensions between or within communities and increasing vulnerability to disaster. More insidiously, conflict can also be fueled by the calculated exploitation of weakly-governed resource-rich areas. Such instability and disorder can destroy livelihoods and infrastructure, erode trust, and discourage much-needed investment.

Addressing the role of environment in insecurity is vital for sustainable development. Ecological sources of tension may combine with other factors such as ethnic rivalry and political power struggles to generate conflict that is rooted in environmental concerns and symptomatic of poor governance generally. Various scenarios create reinforcing cycles that exacerbate social instability and resource mismanagement:

- Inequitable access to and unsustainable use of natural resources and ecological services, contributing to resource scarcity, threatened livelihoods, and insecurity;
- Competing claims to resources and ecological services contested within irreconcilable value systems, leading to social tension and conflict; and
- Use of natural resources and ecological services to finance conflict.

2. PROGRAMMATIC OPTIONS

Effective ecosystem management provides one avenue by which to identify and address selected drivers of conflict and to construct adaptive measures for mediating future disputes. Conservation practices can be used to help conflicting parties recognize and strive for mutual security established through shared management of resources. Diverse program measures can be implemented at various stages of crisis:

- **Going into crisis:** Precautionary measures can be taken in advance of crisis to help build robust communities with sustainable livelihoods and to identify and remove the incentives driving conflict. Examples include establishing early warning systems tracking spikes in natural resource exploitation, population vulnerability, and resource-related disputes; developing natural resource conflict mitigation skills, including cooperation over transboundary natural resources; and improving the representation of natural resource users' interests in local, regional, and national forums.
- **In crisis:** Crisis measures taken in the midst of conflict can seek to minimize environmental damage, bring opponents together, and build confidence through dialogues over resource concerns. International actors can play an important role in helping to stem the exploitation of natural resources for conflict purposes. Examples include maintaining legitimate patrols of protected areas and critical natural resources to prevent their illicit use for conflict purposes, and protecting vital ecosystem services (e.g., water supply, forests, disaster buffers) from destruction or degradation.
- **Coming out of crisis**: Post-conflict measures can be aimed at forging collaboration around shared environmental concerns and management of natural resources for the common good (e.g., international "peace parks" and river basin commissions). Issues of access to and ownership of land and other natural resources are of fundamental concern as they relate to the regeneration of livelihoods while minimizing negative environmental consequences. Programs will build the capacity of communities and governments to manage resource-related conflicts in ways leading to constructive change rather than violence. Examples include promoting goodwill infrastructure investments for countries or sub-national regions cooperating in peace processes (e.g., water supply, sanitation and water resources management); establishing rules and policies to resolve competing land and natural resource claims; and developing natural resources-based income-generating and food security activities that yield quick results without degrading the resource base.

3. COORDINATION

Coordination among regional partners, donors, and host governments is critical for addressing environmental issues that often transcend national borders. Examples include management of river basins or forest systems that may be the locus of contested claims, and control of the illicit exploitation and trade of natural resources used to fund conflicts. Currently, USAID partners with governments and local NGOs in the Congo Basin to implement the Central African Regional Program for the Environment (CARPE), the primary mechanism through which the U.S. Government contributes to the Congo Basin Forest Partnership. This partnership – involving six countries in the region (including several fragile states), seven developed countries, four international organizations, and more than a dozen non-governmental and private sector organizations –

promotes economic development, poverty alleviation, and improved governance and natural resource conservation through support for a network of protected areas and well-managed forest concessions, and through assistance to communities that depend on the conservation of the region's forest and wildlife resources. International coordination and policy enforcement is also vital to the success of measures to control the plunder of natural resources to fund violent conflict. These include the international registration process to stem the flow of "conflict diamonds" known as the Kimberley Process and similar certification processes for timber and other natural resources.

4. REGIONAL APPROACHES

As suggested by the discussion on coordination, regional approaches to environmental programming are often essential given that environment is a sector where regional linkages are inherent. In Southern Africa, for example, there are 15 shared river basins with 70 percent of the region's watershed shared by two or more countries. Each river basin, which includes trans-boundary parks and conservation areas, is developing a regional coordination mechanism to mitigate conflict and manage the resource more effectively. Some of the key roles that regional programs have played in USAID programs in Africa include mitigating regional conflicts; addressing politically sensitive issues and sources of conflict in individual countries; providing non-presence country support; and strengthening regional institutions. In addition to CARPE cited above, programs and services of USAID's regional centers help promote transboundary approaches and regional collaboration, as RCSA does through support for consolidated river basin management involving multiple governments within the Okavango River Basin.

5. MEASURING PROGRESS

The majority of environment funds for programs in Africa are dedicated to biodiversity conservation. This is a self-standing special concern that can be pursued largely for its own sake and not subordinated to fragile states (or transformational development) programming considerations, although the aims of such programs should contribute to the overarching goals defined by the regional strategic framework. Operating units will report on expected and actual results based on appropriate indicators specific to biodiversity conservation as a special concern. Other environment activities outside the realm of biodiversity conservation would have their own indicators and contribute directly to the goals of the fragile states framework. Examples of indicators for measuring progress of environment programs include:

- Number of countries with a process to control the illicit use of natural resources
- Number of people with improved access to environmental governance

Additional indicators may be suggested by the emerging results of the Millennium Ecosystem Assessment and the related database under development.

G. HEALTH

1. BACKGROUND

Since the events of September 11, 2001, there is an urgent realization that reducing poverty and advancing development is in the national security interest of the United States. Consequently, with at least a third of the world's population living in unstable areas, the U.S. government is faced with not only serious national security and humanitarian challenges, but also a huge development challenge.

From the study on *Improving Health Outcomes of the Poor* by the Commission on Macroeconomics and Health (April 2002), we know that lack of key social services, such as health, lead to decreased popular confidence and social unrest. In other words, poor or nonexistent health services cause political instability and fragile conditions. Unmet expectations of the people to improve the quality of their life lead to increased dissatisfaction and civil strife. Therefore, it is not surprising that the Fragile States Strategy identifies the provision of social services, and reforming or strengthening the capacity of the government to provide these services as key programmatic options for fragile states.

Improved health outcomes contribute to the promotion of stability both directly – since healthy people and workforce have far greater economic opportunities and awareness of the service expectations in government policies than do the sick – and indirectly – since good health is a powerful enabler of productivity, among other things. A system that can provide healthcare to the poor also enhances their security, giving them a new source of resilience in the face of economic or other crisis.

The process of improving health outcomes is also likely to both require and enhance the empowerment of the poor – to give them *voice and choice* where they have little of either. The presence of some clearly beneficial interventions will stimulate a demand for more such interventions in a productive circle that will involve poor people more directly in the process that move them along the path to transformational development.

Ineffective governance is a key source of instability. Health programs contribute to strengthening governance by increasing community involvement in health education and community mobilization. Health policy reform promotes improved governance at local levels by supporting political decentralization, integrated service delivery systems, and community participation in health. These efforts contribute to democracy by fostering dialogue between communities and government, equity in health access, shared responsibility for strengthening health services and health education, and greater cost-effectiveness and sustainability of health programs.

2. PROGRAMMATIC OPTIONS

The guiding principles for programming in fragile states are:

- Know the country-specific situation
- Mitigate instability and maintain services
- Increase intra- and inter-agency coordination
- Manage relief to development

This last principle includes early planning with DCHA and addressing health systems and governance issues.

3. MEASURING PROGRESS – INDICATORS

GOAL FS1: AVERT AND RESOLVE CONFLICT

Health activities can both achieve their epidemiological objectives as well as be a catalyst around which communities work. These indicators measure how well USAID programs utilize methods that bring communities together, as well as equity of a basic health service, needed by all populations.

INDICATOR –

- Number of health activities jointly held by factions in conflict that facilitate a peace building process. (e.g. vaccination days, health committees, health facility construction projects, youth health education programs)

Objective FS1.1: Advance peace process (not applicable for health activities)

Objective FS1.2: Reinforce African conflict-mitigation capacity (not applicable for health activities)

Objective FS1.3: Enhance protection of individuals from physical violence

Health programs target some vulnerable populations with specific issues related to violence primarily through health education and referral services. These indicators measure USAID response to gender-based violence and landmines/unexploded ordnances (UXOs). The first three indicators are intended to be used as "cascading indicators" to separate providing assistance from having impact.

INDICATORS:

- The proportion of the population that has heard or received information about gender-based violence prevention.
- Number of health facilities providing services for victims of gender-based violence.
- Number of incidences reported on gender based violence

INDICATORS:

- The proportion of the population that have heard or received information about landmine and UXO prevention*;*
- Number of health facilities providing services for victims of landmine and UXO.
- Number of incidences reported on landmine/UXO injuries.

GOAL FS2: MANAGE CRISES AND PROMOTE STABILITY, RECOVERY AND DEMOCRATIC REFORM

Indicators are intended to be measures of access, use, and equity of health services. Measurements should be disaggregated by wealth quintile, ethnicity, or other groups in conflict. Declining indicators may be a "warning" of destabilization. Increasing indicators should be indicative of increased stability.

INDICATOR

- Under-five mortality rate: Number of deaths among children under age five in a given year per 1,000 live births in that same year. In an emergency, Sphere guidelines will be used: The rate of deaths among children under 5 per 10,000 people every day (U5 deaths/10,000/day).

INDICATOR

- Global Acute malnutrition (weight-for-height): The percentage of children under 5 whose Z scores are below minus two standard deviations (-2 SD) from the median of the reference population in terms of weight-for-height.

Objective FS2.1: Reintegration of Persons Affected by Crisis

These indicators measure equitable access of entire populations to basic health services, as well as services to those coming out of the conflict with special needs.

INDICATOR:

- Number of orphans and vulnerable children (OVC) receiving direct assistance through USAID programs

INDICATOR:

- Number of beneficiaries of USAID services for physical rehabilitation or psychosocial counseling

Objective FS2.2: Increase access to essential services provided by local and national institutions

These indicators measure geographic coverage of a basic child survival indicator – immunization as well as the authority of local government institutions to provide this service.

- Number of facilities per 100,000 population providing functional basic health services.
- Number of users of facilities providing functional basic health services
- Percentage of households with access to safe drinking water: The proportion of households with access to safe drinking water (including piped water and water from protected springs, boreholes, and sanitary wells).

Objective FS2.3: Advance participatory governance

Indicators are meant to be used together to measure civil society participation at a decentralized level, receptiveness of the government to work with decentralized authorities, legitimacy of decentralized government institutions, and transparency in health commodities.

INDICATOR

- Number of health projects/activities in which indigenous committees are involved in the decision-making process.

Objective FS2.4: Maintain/restore basic economic activity and livelihoods

Indicators are intended to measure sales of basic health commodities, ability of employers to pay attention to employee health and availability of funds for salaries.

INDICATOR

- Economic activity related to the health sector is increased: Number of socially marketed commodities sold (ITNs, ORS, condoms etc.)

INDICATOR

- Percentage of health facilities under Ministry of Health (MOH) in which salaries are paid regularly (on time)

Health Sector Prioritization for Fragile States

0 = not a priority; 1 = high priority, 2 = medium priority, 3 = low priority

	Country	Objective 1 \HIV/AIDS	Objective 2 Infectious Diseases			Objective 3 Child Health		Objective 4 Maternal and Newborn Health	Objective 5 Family Planning
			TB	Survei-llance	Malaria	Primary Cause	Polio		
1	Angola	2	2	0	1	2	1	3	2
2	Burundi	2	3	0	2	3	3	3	2
3	DR Congo	1	1	1	1	1	1	2	1
4	Cote D'Ivoire	1	3	0	0	3	2	0	3
5	Eritrea	2	3	3	1	2	2	2	2
6	Ethiopia	1	1	1	1	1	1	1	1
7	Guinea	3	3	3	2	2	1	3	2
8	Liberia	2	3	2	2	2	1	2	2
9	Nigeria	1	1	0	2	1	1	2	1
10	Rwanda	1	3	0	1	1	3	2	1
11	Sierra Leone	3	3	0	2	3	2	0	3
12	Somalia	3	3	0	0	3	2	3	0
13	Sudan	1	2	0	1	1	1	2	2
14	Uganda	1	1	1	1	2	2	2	1
15	Zimbabwe	1	3	0	0	3	3	3	2

Parameters for Health Sector Programs

A ranking of 1 indicates these Missions will receive highest priority for additional funding to support program expansion. These Missions are in countries that have scored high on need, as well as country performance, commitment and ability to scale-up and achieve impact. If additional funding becomes available, these Missions will have first priority for receiving them. Programmatically, these Missions are expected to continue and expand their current programs.

A ranking of 2 indicates these Missions are expected to maintain their sub-sector activities with currently available funds. If additional funds become available, these Missions would have access to the funding only after Missions given a 1 ranking received their allocations. Missions ranked 2 are in countries that have scored high on need and less well than priority countries on country performance, commitment and ability to scale-up.

A ranking of 3 indicates these Missions are of lower priority for receiving additional funding. These missions will be expected to maintain their programs without additional funds.

H. YOUTH AND URBANIZATION

1. BACKGROUND

Why it's important to focus on youth in fragile states. Youth, aged 15 to 24 years, constitute about 20 percent of the total population in most African countries. In most African countries, young people under 25 years make up about 70 percent of the population. Youth are a country's greatest natural resource but, when disenfranchised and marginalized, are susceptible to recruitment by criminal gangs, atavistic politicians, paramilitary groups, or terrorist groups and can undermine national stability.

The decision of whether to intervene with youth can therefore represent a stark choice between a potential for violence and a flowering of potential. Disproportionately large youth cohorts relative to a country's overall population have been linked to a potential for violence that is manifested in the use of child soldiers throughout Africa to fuel brutal conflicts and the targeting of children of violence. Likewise, the number of orphans in many countries is projected to rise beyond what are in many cases already unsustainable levels in both fragile and transformational states. At the same time, youth represent an enormous potential for positive contributions to development in fragile states. However, youth have special needs, particularly when they have been participants in or targets of violence, abuse, or neglect. The transition between childhood and adulthood is a critical time when values, attitudes, and skills are formed. Youth need caring adults, meaningful opportunities for engagement in their communities, educational opportunities, access to health care, and the sense that they have a stake in both the present and the future of their countries. The choices that youth make and the influences on their lives will determine the course of current events and shape the future of Africa's fragile states.

Why it's important to focus on urban areas in fragile states. Although sub-Saharan Africa remains the least urbanized region of the world, at about 40 percent, its cities and towns are experiencing the highest urban growth rates in the world. By 2015 Africa will be more urban than rural. High urban growth rates in Africa are closely correlated with fragility, particularly where accompanied by low or negative GDP per capita growth. Ironically, increasing urbanization has historically been a driver of economic growth in every other part of the world, partly because productivity of labor and capital in urban areas is higher than in rural areas. While about 65-70 percent of Africans depend on agriculture for a living, agriculture contributes just 30-40 percent of GDP. In spite of its rate of urbanization, Africa's overall economic growth has declined. Rather than fueling economic growth, Africa's cities have stagnated and their slum areas are growing, even as the capacity, both human and financial, to adapt to this huge demographic shift remains constant or diminishes.

In countries with high HIV/AIDS infection rates, municipal governments are losing their most productive work force. The percentage of poor people living in cities has increased to more than 40 percent and urban slums are home to about 72 percent of the urban population. A host of environmental and health problems, such as water and wastewater pollution and the spread of infectious diseases, including HIV/AIDS, have arisen in Africa's cities. During times of conflict, cities often become places of refuge for terrified rural populations, many of whom choose not to return. African cities in fragile states will require investments in human capacity to meet these challenges and fuel the economic growth, educational opportunities, health

improvements and other benefits that attract rural dwellers and will enable these countries to become transformational development states.

2. PROGRAMMATIC OPTIONS

Youth: The primary area of focus for youth in fragile states should be on helping them to prepare for and find employment. Other opportunities for meaningful engagement in their communities and with donor activities are also important and can help to build the skills and confidence needed for future employment. These could include service learning, educational or training opportunities, volunteer work, and participation in community decision-making, humanitarian and peacekeeping operations, and development activities. Youth should always be engaged in development of activities, particularly those intended to target their needs.

Job creation and basic education/training for youth should be a priority focus for all sectors, including health, education, governance, agriculture, and natural resources management. Youth leadership and participation should be a key factor in all interventions and gender should be a key consideration when designing activities.

- **Education:** Provide formal (where possible) and non formal education opportunities that will prepare youth for productive livelihoods and meet the country's skilled human power requirements. Consider a focus on youth as future educators and how youth might be meaningfully engaged in education or training efforts as interns, assistants, and volunteers.

- **Economic Growth and Agriculture:** Promote employment-oriented economic growth policies and investments, particularly at the local level, and link them to basic education opportunities for youth. In agriculture, consider youth as targets for future careers as farmers, agricultural extension agents, and other ways of meaningfully engaging them.

- **Democracy and Governance:** Promote opportunities for youth engagement in local development and governance, particularly at the community level, but also at the municipal, regional, and national levels.

- **Health:** In addition to addressing youth health needs and engaging young people in the process of designing interventions, focus on youth employment in the health sector.

- **Environment:** Consider how youth could be engaged in resource conservation efforts as employees, interns, extension agents, and concerned citizens.

Urbanization: To address urbanization in fragile states, an emphasis is needed on local government capacity building, service delivery, and local economic development where activities are feasible. In areas of relative stability, small amounts of USAID funding can sometimes help to leverage local resources, private lending, and public-private partnerships to provide services to residents. Where possible, private sector initiatives to provide services, as in Somalia, should be encouraged. To be successful, the shift must cut across all sectors.

- **Democracy and Governance (in collaboration with Economic Growth):** Build the capacity of municipal officials in critical areas, such as participatory planning and basic service provision (water, education, health services, sanitation) and where possible other areas, such as management, budgeting, financial management, revenue collection, housing, and local economic development.

- **Economic Growth and Agriculture (in collaboration with DG):** Where possible, develop and increase linkages between urban and rural areas to take advantage of local and regional urban markets, off-farm employment opportunities, agro-based processing, and farm inputs.

- **Health (in collaboration with DG):** Work with mayors and local government officials on service provision issues and to enlist their support on educating residents on critical public health issues, such as HIV/AIDS. Address health issues of slum dwellers.

- **Environment/NRM:** Consider the impact that cities have on biodiversity issues, including addressing demand issues for things such as bush meat and other forest products and encroachment of urban sprawl and waste.
- **Education:** Ensure basic education and training opportunities are available through collaborations with local officials.

3. COORDINATION

YOUTH

Donors and African leaders alike are just beginning to awaken to the implications of the youth bulge in Africa. Several small-scale initiatives are underway, but collaboration with other donors, private sector partners, NGOs, and existing youth organizations will be critical to mounting an effective response. Offices within USAID/Washington that address youth issues in Africa include the Africa Bureau, Office of Sustainable Development, Communications, Peacebuilding, and Governance Division; EGAT Education Division, Urban Programs Team (part of the Poverty Reduction Office), and Economic Growth Division; and DCHA Office of Conflict Management and Mitigation and Office of Transition Initiatives. Key institutional partners include:

- The World Bank
- Other bi-lateral donors
- International Labor Organization (a key proponent of youth employment and co-leader of the Youth Employment Network)
- United Nations Development Program

4. URBANIZATION

Growing urbanization in Africa has yet to ignite an adequate response from the donor community or African leaders, but awareness is growing of the critical role that urban areas play in promoting sustainable economic growth.

5. PRIORITIZATION OF FRAGILE STATES FOR YOUTH AND URBANIZATION

The methodology used to rank African countries for youth and urbanization work includes both a "Feasibility Index" and a "Severity of Problem Index." The Feasibility Index includes foreign policy considerations, potential development impact, and the World Bank's CPIA. The Severity of Problem Index adds qualitative criteria such as population. It is calculated based on the following indicators:

YOUTH

- Youth as percentage of adult population
- Urban growth rate
- Five-year average GDP/capita growth rate
- Average GDP/capita
- Adolescent fertility rate
- Youth literacy
- CMM Risk Factors (youth bulge, average five-year GDP/capital growth rate, political restrictiveness, and regime type)

URBANIZATION

- Youth as percentage of adult population
- Urban growth rate
- Five-year average GDP/capita growth rate
- Average GDP/capita
- Urban slum population
- Percentage of urban population with access to improved water
- Percentage of urban population with access to improved sanitation
- Adult HIV prevalence rate

PRIORITY FRAGILE STATES YOUTH Country	Feasibility index	Potential development impact (MCA or MCAT)	Other foreign policy importance to USG	CPIA 2003	Youth as % of Adult Population	Urban Growth Rate 2000-2005	Adolescent fertility rate, 2002	Youth Literacy	5-year Ave GDP/Capita Growth Rate 1998-2002	GDP per capita (in constant 1995 $)	CMM Risk Factors	Severity of Youth Problem	Priority countries for youth w/ USG FP
Nigeria	1.2	1	4	0.2	0.35	4.35	111	88.6	-0.12	248	3	9	47
Uganda	2.8	2	2	0.8	0.41	3.9	182	80.2	2.41	359	3	8	39
Ethiopia	1.3	1	2	0.3	0.36	4.09	135	57.4	1.58	124	3	10	33
DRC	1.2	1	2	0.2	0.34	4.43	226	68.7	0.05	90	4	10	32
Sudan	1.2	1	3	0.2	0.36	4.6	56	74.6	4.06	330	2	7	29
Rwanda	1.5	1	2	0.5	0.38	11.59	52	76.5	4.69	295	3	8	28
Liberia	1.2	1	2	0.2	0.35	5.34	196	70.8	13.16	197	3	8	26
Chad	1.3	1	1	0.3	0.37	4.55	182	37.3	1.94	232	4	11	25
Angola	1.2	1	2	0.2	0.34	5.37	223	71.4	3.47	623	3	7	22
Burundi	1.2	1	1	0.2	0.42	6.5	50	72.3	-0.02	143	4	10	22
Togo	1.2	1	1	0.2	0.39	4.04	82	74	-2.44	320	4	10	22
Eritrea	1.3	1	1	0.3	0.35	5.75	101	0	-2.43	160	2	9	20
Sierra Leone	1.3	1	1	0.3	0.34	5.65	43	38.2	-0.74	165	3	8	18
Congo Republic	1.2	1	1	0.2	0.32	3.39	146	97.8	-4.29	700	4	8	18
Guinea	1.2	1	1	0.2	0.35	3.83	153	0	1.55	633	3	8	18
Central African Republic	1.2	1	1	0.2	0.38	2.49	124	58.5	0.70	332	2	8	18
Somalia	1.2	1	1	0.2	0.34	5.69	204	0	n/a	n/a	4	8	18
Cote d'Ivoire	1.3	1	1	0.3	0.27	2.6	118	59.8	-1.84	776	3	7	16
Zimbabwe	1.2	1	1	0.2	0.40	1.79	13	97.6	-4.99	521	3	7	15

PRIORITY FRAGILE STATES: URBANIZATION	Feasibility index	Potential development impact (MCA or MCAT)	Other foreign policy importance to U.S.G	CPIA 2003	Degree of political commitment to decentralization	Youth as % of Adult Population	Urbanization Rate 2000-2005	Urban Growth Rate 2000-2005	Adult HIV prevalence rate 15-49	Slum Pop as Percent of Urban	% pop w/ improved drinking water sources	% pop w/access to improved sanitation	Orphans as % of Children (under 18)	5-year Ave GDP/Capita Growth Rate 1998-2002	GDP per capita (in constant 1995 $)	Qualitative criteria	Severity of Urban Problem	Priority countries for urban w/o U.S.G FP	Priority countries w/ U.S.G FP
Uganda	2.8	2	2	0.8		0.39	0.65	3.9	4.1	93	87	53	14	2.41	359		11	31	53
Togo	1.2	1	1	0.2		0.36	1.7	4.04	4.1	80.6	80	71	9	-2.44	320		15	18	33
Sierra Leone	1.3	1	1	0.3		n/a	1.85	5.65	0	95.8	75	53	14	-0.74	165		14	18	32
Chad	1.3	1	1	0.3		0.37	1.59	4.55	4.8	99.1	n/a	30	12	1.94	232		14	18	32
Rwanda	1.5	1	2	0.5		0.37	9.42	11.59	5.1	87.9	92	56	17	4.69	295		12	17	41
Burundi	1.2	1	1	0.2		0.42	3.39	6.5	6	65.3	90	47	15	-0.02	143		14	17	31
Nigeria	1.2	1	4	0.2		0.33	1.82	4.35	5.4	79.2	72	48	10	-0.12	248		14	17	73
Congo Republic	1.2	1	1	0.2		0.32	0.81	3.39	4.9	90.1	72	14	13	-4.29	700		13	16	29
Ethiopia	1.3	1	2	0.3		0.34	1.63	4.09	4.4	99.4	81	19	11	1.58	124		12	16	40
DRC	1.2	1	2	0.2		0.00	1.56	4.43	4.2	49.5	83	43	17	0.05	90		13	16	42
Central African Republic	1.2	1	1	0.2		0.38	1.2	2.49	13.5	92.4	93	47	16	0.70	332		13	16	29
Eritrea	1.3	1	1	0.3		0.14	2.1	5.75	2.7	69.9	72	34	10	-2.43	160		12	15	27
Somalia	1.2	1	1	0.2		0.37	1.53	5.69	0	97.1	32	47	11	n/a	n/a		12	14	26
Guinea	1.2	1	1	0.2		0.35	2.24	3.83	3.2	72.3	78	25	10	1.55	633		11	14	25
Sudan	1.2	1	3	0.2		0.34	2.43	4.6	2.3	85.7	78	50	9	4.06	330		11	13	46
Angola	1.2	1	2	0.2		0.34	2.18	5.37	3.9	83.1	70	56	15	3.47	623		11	13	35
Liberia	1.2	1	2	0.2		0.34	1.29	5.34	5.9	55.7	72	49	13	13.16	197		11	13	35
Zimbabwe	1.2	1	1	0.2		0.39	1.3	1.79	24.6	3.4	100	69	19	-4.99	521		11	13	24
Cote d'Ivoire	1.3	1	1	0.3		0.27	0.98	2.6	7	67.9	98	61	13	-1.84	776		9	11	20

I. CONFLICT

1. BACKGROUND

Over the past decade and a half, we have watched with growing concern as violent conflict claimed millions of lives and resulted in widespread destruction, displacement and despair. Violent conflict has created humanitarian emergencies and reversed years of economic development. While the economic costs associated with relief and reconstruction were enormous, it is the human toll that defies reckoning.

Between 1994 and 2003, millions have died and millions more have been displaced. In response, USAID provided billions of dollars in disaster assistance for conflict -affected populations in Africa. For example, USAID's assistance to conflict-affected populations during this period included:

- Angola — $663.8 million
- Burundi — $223.7 million
- Eritrea — $121.9 million
- Ethiopia — $1.25 billion
- Liberia — $362.6 million
- Rwanda — $530.3 million
- Sierra Leone — $300.3 million
- Somalia — $307.3 million
- Sudan — $855.1 million

Recent years, however, have seen positive achievements in conflict resolution: the restoration of peace in Liberia; progress toward reconciliation in Angola and Sierra Leone; and strides toward peace in the Democratic Republic of Congo, Southern Sudan, and the Casamance region of Senegal. However, many of these processes and similar ones remain fragile. In addition, advances in some countries are matched with reverses in other areas, such as in Uganda, a threshold MCA country where 1.4 million people remain displaced by ongoing conflict in the North. In Africa, democratic success stories sit side-by-side with failed or failing states. Promise and opportunity contrast with disease, desperate poverty, and large numbers of refugees and internally displaced persons. Civil wars have spread beyond borders to create regional war zones, thus slowing growth in neighboring states.

Factors that contribute to fragility and regional instability include, but are not limited to, economic and political instability; health crises; violent conflict; influence of neighboring country interests; population movements; sizable displaced population; trafficking in persons; and natural disasters. Addressing these factors is central to promoting regional stability, advancing peace processes, and promoting a transition to recovery and long-term development.

Building the foundations for stability and addressing the root causes of conflict are vital roles of development assistance. In September 2002, President George W. Bush elevated the importance of development in the National Security Strategy, citing it, along with defense and diplomacy, as a key pillar of U.S. security. According to the Strategy, "The events of September 11, 2001, taught us that weak states…can pose as great a danger to our national interests as strong states." As a result, regional stability is now one of the strategic goals of the joint Department of State-USAID Strategic Plan.

2. PROGRAMMATIC OPTIONS

USAID's technical approach to addressing violent conflict and promoting regional stability includes: (a) conflict response and mitigation programs that aim to avert imminent violence, mitigate ongoing violence, or address its immediate aftermath (e.g., mediation, community-based reconciliation, peace media, reintegration); (b) conflict management programs that address the causes and consequences of conflict (e.g., youth unemployment, ethnically based economic competition, natural resources such as land, water, and forests); and, (c) conflict sensitive programs — regular development activities including those that are consciously attempting to "do no harm" or will contribute to stability over the long-term.

In terms of conflict mitigation and response, the specific goal of the Framework's conflict programs is to avert and resolve local and regional conflicts to preserve peace. The following specific objectives are designed to address the goal:

- Advance peace processes. Supporting peace processes includes three broad categories of activities: (a) negotiation of peace agreements; (b) mobilization of constituencies for peace and; (c) peace implementation planning. USAID assistance includes support to peace secretariats, assessment and training of official negotiating teams, civil society training for peace media/advocacy, and the development of peace process information campaigns.

- In addition, as part of supporting peace process at various stages and mitigating conflict, the Africa Bureau seeks to reinforce African conflict mitigation capacity, including improving early warning and response mechanisms. Early warning and early response mechanisms promote data collection and analytic research to identify the underlying tensions that produce conflict. USAID supports worldwide, regional, national, and local early warning and response programs to promote policy decision-making and development programming that identifies potential areas of conflict and effectively addresses tensions before they erupt into violence.

- Given the extent of abuses arising from the large numbers of vulnerable and displaced populations resulting from conflict, the Africa Bureau seeks to enhance the protection mechanisms for those affected by conflict.

In addition, the Africa Bureau aims to strategically integrate conflict management and conflict sensitive programs and approaches in the sectors listed in this attachment. In particular, sectoral interventions will be designed and applied in ways that take into context conflict dynamics and sources of fragility and provides an integrated approach and leveraging of resources to target these issues. Maintaining and promoting stability and managing crisis will often require the effective implementation of sectoral activities in conflict affected areas.

3. COORDINATION

In order to address these categories, the Africa Bureau must work closely with other operating units within USAID as well as in close collaboration with the Department of State. In addition, the Africa Bureau must work closely with other U.S.G departments and agencies, including the Department of Defense. USAID will also collaborate with other donors and institutions, such as the EU and G8 to work together to address the comprehensive range of conflict prevention and post-conflict stabilization and reconstructions requirements in Africa, and to build further collective international capacity to address these challenges.

The U.S.G with its international counterparts should seek agreement to work together in the identification of possible crises before they erupt (early warning); to coordinate action and resource allocation to prevent and mitigate potential crises and respond to post-conflict situations; and to build international capacity, including that of the UN and regional organizations, to work as partners in preventing and responding to crises. In particular, we should help the AU to build its capacity for civilian peace support.

J. Illustrative Sectoral Activities to Support Fragile States Goals

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Avert and Resolve Conflict				
1.1	Advance Peace Processes			
1.1	All Sectors	Strengthen culture of peace Mobilize Constituencies for Peace (CSOs, peace radio, civic education, women's groups, youth)	Mobilize Constituencies for Peace (CSOs, peace radio, civic education, women's groups, youth) Support the participation of key civilian actors in all efforts to resolve crisis (e.g. political parties, civil society, women, youth and minorities)	Peace dividend and Confidence Building Activities e.g.,- peace markets/committees, schools, health centers and training Specific support to implementation of peace accord, including institutions that address the drivers of fragility Support local or sub regional peace processes (sometimes occur parallel to national efforts) Support civic efforts to monitor violations of ceasefire/peace accords - international, national and community based
1.1	Humanitarian Assistance		Negotiate and monitor access for humanitarian assistance	Consolidate and monitor access for humanitarian assistance
1.1	Democracy/Governance	Support inclusive national dialogues Increase information dissemination and ensure women's access	Support inclusive dialogue and negotiations (women, youth, all parties, other minority groups) Increase access to fair and accurate information Support implementation of UN resolution 1325 on women's active engagement in peace processes	Create and Support inclusive transitional institutions, equitable laws, and processes (often included in the peace agreement) Increase the flow of fair and accurate information (ensure women's access to information) Support implementation of UN resolution 1325 on women's active engagement in peace processes Demining activities and mine awareness campaigns (DG?) Outreach to youth on renouncing violence, peaceful participation in politics
1.1	Health		Support efforts to broker peace through health initiatives	
1.1	Education		Support peace education programs, e.g. curriculum development and teacher training and media campaigns	
1.1	Agriculture		Promote "peace markets" and trading days that allow circulation and trade of agricultural goods	
1.1	Environment			Incorporate resource disputes into peace process

5/9/05 Avert and Resolve Conflict	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
1.2	Reinforce African Conflict Mitigation and Management Capacity			
1.2	All Sectors	Strengthen local, national and regional early warning and response mechanisms and network s Develop multi sectoral capacity to analyze and address the root causes of conflict, including action alerts in vulnerable communities Support the capacity and inclusion of women, youth and minorities in conflict mitigation and management Train pre-existing CBOs/CSOs in conflict resolution, tolerance, equity, reconciliation techniques Encourage community fora and leadership for dialogue and reconciliation	Build conflict management and mitigation capacity at all levels, governmental and non governmental Supporting the political and economic inclusion of women, youth and minorities Supporting African-led international efforts to address conflict (e.g. ECOWAS, IGAD)	Strengthen local, national and regional early warning and response mechanisms and network s Develop multi sectoral capacity to address the root causes of conflict Train pre-existing CBOs/CSOs in conflict resolution, tolerance, equity, reconciliation techniques Support the inclusion of women, youth and minorities in conflict mitigation and management activities Support community-based forums for dialogue and reconciliation
1.2	Humanitarian Assistance	Link famine early warning data and conflict early warning data	Link famine early warning data and conflict early warning data	Link famine early warning data and conflict early warning data
1.2	Democracy/Governance	Prevent trafficking of arms, narcotics, and natural resources (e.g. diamonds) Conflict resolution training for election officials Political party codes of conduct (zero tolerance on violence) Support peace-oriented, conflict-resolution CSOs and networks Support African and alternative dispute resolution mechanisms Training on 'responsible journalism'	Prevent trafficking, arms, narcotics, and natural resources (e.g. diamonds) Training on 'responsible journalism' Direct and indirect assistance for conflict mitigation and response mechanisms	Conflict resolution training for election officials Support conflict-resolution CSOs and networks Training on 'responsible journalism' Political party codes of conduct (zero tolerance on violence) Support African and alternative dispute resolution mechanisms Direct and indirect assistance for conflict mitigation and response mechanisms
1.2	Education	Build peace, conflict resolution & civic education into formal and informal youth and teacher training programs		Support conflict management skill development, e.g. curriculum development, teacher training, literacy and media campaigns
1.2	Agriculture			Support transparent land reform & property rights
1.2	Environment	Devise conflict mitigation strategies where different groups compete for same resources		Develop rules & policies to mitigate competitive land & natural resource claims
1.2	Economic Growth	Ensure transparent use of potential conflict resources		Develop systems for the transparent use of 'conflict' resources

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Avert and Resolve Conflict				
1.3	Enhance Individual Protection from Physical Violence			
1.3	All Sectors	Conduct gender assessment of conflict vulnerabilities and protection needs of men, women and children Strengthen institutions capable of delivering services to human rights abuse survivors. Reduce stigma against victims of human rights abuse	Prevent/address child soldiering and abduction Develop human and institutional capacity of government and local social service sector to ensure protection and support for all children Reduce stigma against victims of human rights abuse Strengthen network of providers to increase protection options, in country and regionally.	Develop human and institutional capacity of government and local social service sector to ensure protection and support for all children Strengthen institutions capable of delivering services to human rights abuse survivors. Reduce stigma against victims of human rights abuse Strengthen network of providers to increase protection options, in country and regionally.
1.3	Humanitarian Assistance	Early planning with DCHA and use of earmarks to support activities	Early planning with DCHA and use of earmarks to support activities	Early planning with DCHA and use of earmarks to support activities Country specific evaluation – victims, services, facilities
1.3	Democracy/Governance	Human rights monitoring, reporting and documentation, including trafficking of persons, gender based violence, torture Train media on human rights and protection issues Collaborate with other U.S.G agencies (Justice, DoD, State) on security sector reform Strengthen formal criminal justice sector, train and support courts and judges Provide training to judicial officials on trafficking laws and options for addressing trafficking. Support legal defense / legal aid organizations Build local capacity to provide security	Human rights monitoring, reporting and documentation, including trafficking of persons, gender based violence, torture Supporting equitable and fair traditional justice practices, where possible Support legal defense / legal aid organizations Identify and prosecute trafficking of persons in destination countries.	Human rights monitoring, reporting and documentation — including gender-based violence, trafficking in persons and torture Support and capacity-building for human rights NGOs in "know-your-rights" campaigns or other grassroots efforts Support an independent human rights commission Collaborate with other U.S.G agencies (Justice, DoD, State) and other donors on military and police assistance Set up systems for identifying and thwarting potential traffickers in post-crisis situations, with community involvement. Support war-crimes tribunals, truth and justice commissions, and transitional justice Support legal defense / legal aid organizations, to provide greater access to justice Train media on human rights and protection issues Build local capacity to provide security Provide training to government officials, including judges, on trafficking laws and options for addressing trafficking.

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Avert and Resolve Conflict				
1.3	Health	Assist victims of human rights abuse, gender based violence and trafficking - health care and psycho-social trauma counseling Provide HIV/AIDS prevention, care and treatment	Working with OFDA address health needs of the vulnerable, where security permits. Assist victims of human rights abuse, gender based violence and trafficking - health care and psycho-social trauma counseling Strengthen human and institutional capacity of orthopedic sector to meet needs of war-wounded amputees Provide HIV/AIDS prevention, care and treatment	Strengthen national policies affecting persons with disabilities and capacity of local disabled persons organizations to fight for social and economic inclusion Assist victims of human rights abuse, gender based violence and trafficking - health care and psycho-social trauma counseling Strengthen human and institutional capacities to provide orthopedic services and follow-up to mobility-impaired population. Provide HIV/AIDS prevention, care and treatment
1.3	Education	Safe schools initiatives	Start or restart education programs or other structured activities for youth in and out of schools Train teachers and community leaders in trauma recovery and as counselors Support community-based school feeding programs	Promote safe schools, Support community-based capacities to ensure inclusion of all children in basic child growth and development opportunities and for adolescent access to education, skills training, and livelihood opportunities Train teachers and community leaders in trauma recovery and as counselors
1.3	Agriculture	Develop livelihoods opportunities for populations that are vulnerable to trafficking.	Safety & security ensured at markets	Develop livelihoods opportunities for populations that are vulnerable to trafficking.

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Manage Crises and Promote Stability, Recovery and Democratic Reform				
2.1	**Reintegrate Persons Affected by Conflict**			
2.1	All Sectors	Encourage self-sufficiency	Support systems to identify, protect, and reintegrate unaccompanied children with families and communities. Ensure equitable male and female access to reintegration or relocation resources. Create youth 'escort groups' to allow young people (especially girls) to move more safely in camps. Promote use of gender specialist on teams implementing programs	Implement transitional reintegration Trained female staff hired by the resettlement agency to work with and assist women in all aspects of resettlement. Males also trained to be gender-sensitive in providing services. Support local government, CSO/ CBO participation in local reintegration strategies and implementation Reunification or placement of unaccompanied children DDR programming developed with women and youth involvement in planning, implementation and decision making Promote dialogue between conflict-affected persons and the communities in which they resettle
2.1	Humanitarian Assistance	Provide basic care and maintenance to displaced populations and refugees (OFDA/FFP) Implement productive safety net program to support alternative livelihoods	Provide basic care and maintenance to displaced populations and refugees (OFDA/FFP)	Provide basic care and maintenance to displaced populations and refugees (OFDA/FFP) Implement productive safety net program to support alternative livelihoods Use food-for-work, asset-building incentives for returning & reintegration Channel food aid to promote indigenous market activities and transformation of informal markets into formal markets
2.1	Democracy/Governance	Include conflicted affected populations in political processes Extend voter registration to IDPs and other affected groups of citizens Improve governance for IDPs and refugees both in camps and self-settled	Human rights monitoring of IDP and refugee camps and reintegration activities Local self-government for IDP and refugee camps	Including conflicted affected populations in political processes Extending voter registration to IDPs and other affected groups of citizens Improve governance for IDPs and refugees both in camps and self-settled

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Manage Crises and Promote Stability, Recovery and Democratic Reform				
2.1	Health	Build capacity to respond to specific health concern of Persons Affected by Conflict Increase access to basic health and other services for persons affected by conflict Engage civil society in meeting health needs of this population HIV/AIDS prevention, care and treatment	Increase access to basic health and other services for persons affected by conflict Provide technical assistance for critical health issues for IDPs and refugees Increase access to potable water and sanitation HIV/AIDS prevention, care and treatment	Build capacity to respond to specific health concern of Persons Affected by Conflict Increase access to basic health and other services for persons affected by conflict Engage civil society in meeting health needs of this population Engage local government and civil society in training persons affected by conflict in the provision of health services Increase access to potable water and sanitation Engage local government and civil society in training persons affected by conflict in the provision of health services HIV/AIDS prevention, care and treatment
2.1	Education	Ensure access of IDPs, refugees and conflict affected populations to formal and informal education Provide training to instill core values	Support community-based school feeding programs Provide formal/ non-formal education for youth in IDP camps Provide Training, e.g. participant and third-country	Provide education/training access for targeted groups such as child soldiers and displaced children Provide formal and non/formal education for IDPs and host communities Counseling and programming for young males and females exposed to atrocities Youth Reconciliation activities
2.1	Agriculture	Protect/build assets and livelihoods	Provide livelihood opportunities in and around camps/IDP centers	Support assets building and alternative livelihood development
2.1	Environment		Mitigate destruction of NR	Resolve overlapping land & resource claims
2.1	Economic Growth			Micro-enterprise to reintegrate displaced, potential spoilers

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Manage Crises and Promote Stability, Recovery and Democratic Reform				
2.2	Increase Access to Essential Services Provided by Local and National Institutions			
2.2	All Sectors	Supporting the development of CSO coalitions around key development priorities (may be national, regional and/or local) Support democratic, conflict-sensitive practices for non-governmental service providers Targeted support for women and youth groups Build capacity of organizations representing urban poor Building capacity of legitimate local governance – ex. positive change agents within local governance bodies - to plan for and provide essential services Provide training for stabilization Work with local and national institutions to target service delivery to support stability	Increase equitable access to services with focus on traditionally marginalized groups	Leadership training for key NGOs and CSOs Work through local govt's to enhance service provision Open avenues for citizen engagement in local service delivery Human resource planning and development (government and non- government) Build / strengthen institutional capacity (governmental and non-governmental) Provide immediate return and plan for longer term sustainability Targeted support for women and youth groups Build and/or rebuild information systems and use of data for decision making Increase equitable access to services with focus on traditionally marginalized groups Construct service facilities Work with local and national institutions to target service delivery to support stability
2.2	Humanitarian Assistance	Provide humanitarian assistance in a manner that build capacity for peace Strengthen crisis early warning systems Monitor critical food/nutrition indicators, school attendance and health epidemics Strengthen capacity to respond to emergencies	Provide humanitarian assistance in a way that supports stabilization and recovery Ensure sufficient stockpile of medical equipment supplies and drugs to meet emergency needs Monitor critical food/nutrition indicators, school attendance and health epidemics	Manage transition from humanitarian to transitional assistance Put in place an effective cross-sectoral crisis early warning system Monitor critical food/nutrition indicators, school attendance and health epidemics Strengthen capacity to respond to emergencies
2.2	Democracy/Governance	Sponsoring public hearings and town/village meetings to evaluate government services and action planning to solve problems Develop or reform a regulatory framework for non-governmental service delivery Support government and non -governmental watchdog agencies to monitor use of state resources		Sponsoring public hearings and town/village meetings to introduce and evaluate government services Develop or reform a regulatory framework for non-governmental service delivery Support government and non-government watchdog agencies/ monitoring of service delivery

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Manage Crises and Promote Stability, Recovery and Democratic Reform				
2.2	Health	Work with local and national institutions to target service delivery to support stability Build local capacity for immediate response to health threat of eminent crisis HIV/AIDS prevention, care and treatment	Preserve health and basic services Establish transition interim civil administration in health Meet service needs of populations affected – direct/indirect service provision Direct implementation of specific health interventions on specified crisis timeframes Integrate health activities into DG and Conflict activities HIV/AIDS prevention, care and treatment	Specific health threats to be addressed are defined by responses to "in crisis" needs – ex. refugee camps without adequate clean water and sewage systems; TB proliferation etc. Build local (gov and non-gov) capacity for immediate response to health threat Retain and recruit health specialists Work with local and national institutions to target service delivery to support stability Support local health committees HIV/AIDS prevention, care and treatment Develop multi-sectoral community based program to identify, prevent and reduce health risks
2.2	Education	Provide training for management of central services Strengthen the quality of formal and non-formal education services Increase community involvement in and oversight of education (formal and informal) Develop civic education curricula and campaigns	Start Alternative Schools and Learning activities Meet service needs of population affected - direct/indirect service provision as appropriate and support trauma recovery Support community based school feeding programs Interactive radio instruction in and out of schools	Build capacity to reconstruct education system (governmental and NGO) Promote access to basic education and literacy (formal and informal) Provide training to support education and social reform Strengthen communities, e.g. PTA development Interactive radio instruction in and out of schools
2.2	Agriculture	Improve coordination and use of donor resources for agricultural services and business services to ward against deterioration of agricultural support services and return to state failure	Maintain (via grants program?) minimum scientific and technical personnel in national agricultural and training institutions for urgent and short-term agricultural problems and liaison with international agricultural centers Maintain essential components of transport infrastructure for transportation of agricultural commodities	Improve coordination and use of donor resources for agricultural services and business services to ward against deterioration of agricultural support services and return to state failure Rehabilitate public sector agricultural institutions (research, extension, statistics, food safety, veterinary) Develop integrated policy approach to hunger alleviation
2.2	Environment	Manage vital ecosystem services that sustain livelihoods, food security, & health		Increase local participation in the management of natural resources
2.2	Economic Growth	Micro-credit support		Promote equitable policies and programs to rebuild communities, alleviate poverty, and distribute resources until country fully stabilized; gender analysis of institutional service provision and major needs Facilitate non-discriminatory marketing credit and financing mechanisms, including those for microfinance IT development for gov't capacity building

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Manage Crises and Promote Stability, Recovery and Democratic Reform				
2.3	**Advance Participatory Governance**			
2.3	All Sectors	Support government planning and administration (national, regional, local) to ensure quality and equity Sponsor internal oversight procedures and external audits Support champions of reform wherever they are located Fight grand and administrative corruption Leadership training and capacity building for key NGOs Mitigating rapid urbanization and improving the social/physical infrastructure of African cities	Engage and strengthen civil society Enhance governance and the legitimate functions of government in areas of stability	Fighting grand and administrative corruption Address gaps in the policy framework relating to development priorities, economic growth, and addressing the drivers of fragility Mitigate rapid urbanization and improving the social/physical infrastructure of African cities Train government and CSOs in budgeting, procurement, accounting and transparent, equitable resource planning and decision making Capacity building and institutional strengthening for government and non-governmental organizations Improve local governance structures, citizen and civil servant understanding of their rights and responsibilities
2.3	Humanitarian Assistance		Build capacity of municipal officials to provide emergency services	
2.3	Democracy/Governance	Support alternative sources of legitimacy and political will to reform (where government legitimacy is in question) Promoting a level political playing field and support 'parties'/candidates equal access to media Strengthen press freedoms, support and protect investigative journalists Multiparty dialogues, candidate forums Support and protect civil society groups devoted to human rights and political reform and transparency Promote women's active political participation and representation at all levels of society Support an independent election commission and enabling legislation Political party and CSO election monitoring If necessary, support study tours or international visitors programs to get people who are threatened out of the country for a short period of time	Training on "do no harm" and basic democratic principles Ensure women's legal and human rights are protected, engage women and other disadvantaged groups in forums on governance reform	Support for the post-conflict elections – usually a series of elections (presidential, legislative, local, other) Support strategy for reintegration of state services into rebel-held areas Identify needed civil service reforms Support government planning and administration (national, regional, local) Assist parliamentary committees in oversight, budgeting, and legislation related to conflict-affected communities Mechanisms for incorporating women, youth and minorities into the policy making process Media training and privatization Support to national budget process and budget negotiations Political party development

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Manage Crises and Promote Stability, Recovery and Democratic Reform				
2.3	Health	Build local governance for improved health care provision		Increase capacity of non-governmental actors to demand accountability of government for health outcomes especially in traditionally marginalized groups Build capacity in health governance at national and local levels Establish anti-corruption measures and build transparency in drug distribution Develop multi-sectoral community based programs to identify, prevent and reduce health risks
2.3	Education	literacy programming Provide training to promote democratic principles	literacy programming	Provide training for transparency and decision making literacy programming
2.3	Agriculture	Ensure basis for legal markets and right to form producer, processor and marketing associations Conduct agricultural policy analysis to identify counter-productive policies causing underperformance of agriculture and contributing to economic decline and social tensions		Promote resource management by water-use associations, CBOs, and peace committees Restore market infrastructure & information systems, including transport, storage, and distribution facilities Develop sound legal & regulatory framework
2.3	Environment	Community based natural resource management	Support community-based natural resource management	Support transparent, equitable resource planning & decision-making Re-build gov't capacity to manage NR Support devolution of control over NR, private-community investment opps
2.3	Economic Growth	Reverse deterioration of professional services Protect LRJ functions affecting private sector	Minimize deterioration of professionals & integrity in gov't Maintain LRJ functions	Re-establish professionalism & integrity in gov't services Increase private sector confidence (clarify & restore property rights, reduce corruption, etc.)
2.4	**Maintain/Restore Basic Economic Activity and Livelihoods**			
2.4	Democracy/Governance	Encouraging democratic reforms that stimulate economic growth (land reform, local revenue generation…)		Encouraging democratic reforms that stimulate economic growth (land reform, local revenue generation…) Support transparent land reform and property rights
2.4	Health			Workforce health programming
2.4	Education	Provide training for asset management/entrepreneurship		Provide skills to vulnerable groups (women and youth) for livelihoods Entrepreneurship Education programs, (NFTE, Making Cents, Junior Achievement, Etc.) Develop education/training: Partnerships

5/9/05	Illustrative Priority Actions in Countries	Vulnerable to Crisis	In Crisis	Emerging from Crisis
Manage Crises and Promote Stability, Recovery and Democratic Reform				
2.4	Humanitarian Assistance	Supply tools, fertilizer, draught animals, etc. Develop targeted productive safety net programs	Distribute primary agricultural inputs (seeds, fertilizers) Use food aid to reduce suffering/save lives and protect livelihoods and assets Implement rudimentary safety nets Cash-for-work programs to maintain infrastructure & provide jobs	Supply seeds, tools, and other production inputs to farmers in affected regions Cash-for-work & public works programs Refine safety nets to protect productive assets
2.4	Agriculture	Maintain private sector operators in input distribution system (ideally for cash crops and food crops) - insure women's access to goods and services Ensure secure markets and protect movement of people and goods Conduct analysis of support by agricultural institutions (or lack thereof) to promote agriculture and address social tensions Improve coordination and use of donor resources for agricultural services and business services to stem state failure	Continue to provide services and implement activity, where possible, to keep basic economy functioning Promote asset/livelihoods security (using other means than food aid)	Develop capacity of private sector operators in input distribution system (ideally for cash crops and food crops) - insure women's access to goods and services Support alternative livelihoods for all vulnerable groups especially youth livelihoods Implement land reform measures, with special focus on vulnerable populations Establish public-private partnerships to promote agricultural recovery and trade Restore/develop small-scale water storage & irrigation systems
2.4	Environment	Support CBNRM Targeted protection of natural systems to reduce vulnerability to crisis	Mitigate destruction of NR linked to livelihoods & food security Maintain legitimate patrols & protection of designated protected areas so they do not become refuges for illicit/dangerous activities	Develop NR-based income-generation & food security activities Promote Tran boundary NRM
2.4	Economic Growth	Support youth livelihoods and job creation Preserve liquidity & credit (e.g., micro-finance) Conduct gender analysis on male and female economic activities. Create economic incentives for stability Support planning and budgeting for key economic infrastructure	Establishment of stabilization funds Continue to provide services and implement activities, where possible, in non-crisis areas to keep basic economy functioning.	Support youth livelihoods and job creation Micro-finance and SME development for targeted groups Restore contract enforcement Support revised commercial legal codes affecting food and agricultural trade Provide market facilitating support, services and institutions Strengthen local management of market centers, information Support planning and budgeting for key economic infrastructure

ANNEX 3: PARAMETERS FOR COUNTRY PROGRAMMING BY GOAL AND OBJECTIVE

HOW TO USE THIS ANNEX

1. TRANSFORMATIONAL DEVELOPMENT STATES

Step 1: Locate the country in which your bilateral Mission (information for Regional platforms is listed separately below) is situated by looking at the country array on the left-hand side of the master parameters matrix.

Step 2: After locating the appropriate country name, read across from left to right to see which areas your Mission will be expected to program in. Be sure to read the corresponding endnotes for further explanations, additional information, and clarifications.

Note: There are no parameters for transformational development countries listed under the Fragile States column at the far right-hand side of the master parameters matrix.

Step 3: Repeat the above procedure for the Health, Environment, and Youth & Urbanization parameters matrices, listed separately.

2. FRAGILE STATES

Fragile states objectives will be selected based on the causes/ drivers of fragility and discussion between the Bureau and Fragile State Missions. There are no transformational development parameters for fragile states. For parameters pertaining to Health, Environment, and Youth & Urbanization:

Step 1: Locate the country in which your bilateral Mission is situated by looking at the country array on the left-hand side of the relevant parameters matrix (i.e., Health, Environment, and Youth & Urbanization).

Step 2: After locating the appropriate country name, read across from left to right to see which areas your Mission will be expected to program in. Be sure to read the corresponding endnotes for further explanations, additional information, and clarifications.

3. HYBRID STATES

A few countries (Rwanda, Uganda, and Nigeria) have been designated as hybrid states because they have important elements of both fragility and transformational development. Thus, strategies for hybrid countries are expected to contain a combination of both transformational development and fragile states Strategic Objectives (SOs). Therefore, it is important that hybrid countries be familiar with both the transformational development framework and the fragile states framework contained in this document.

4. STRATEGIC STATES

Strategic States are primarily programmed based on directed funding, such as Economic Support Funds (ESF), therefore no specific parameters for strategic states are contained in this annex.

5. MIDDLE INCOME COUNTRIES

According to the *White Paper*, the primary form of USAID interventions in middle income countries (MICs) should be strategic and global/transnational concerns (i.e., Health and Environment). Therefore, MICs should pay special attention to parameters contained under the Health and Environment sections of this annex. (Locate the country in which your Mission is situated by looking at the country array on the left-hand side of the Health and Environment parameters matrices. Read across from left to right to see which areas your Mission will be expected to program in. Be sure to read the corresponding endnotes for explanatory notes, additional information, and clarifications.) Until the Agency's Middle Income Country strategy is completed, decisions on programming in non-special concerns areas should be determined in consultation with AFR/DP.

6. REGIONAL PLATFORMS

Regional Mission strategies will be developed in consultation with AFR/DP and the bilateral Missions in their region and will be informed by the Strategic Framework for Africa, Part 1, section VIII, *Regional Programs*. Therefore, no specific parameters for Regional Missions are contained in the master parameters list. However, regional platform parameters are contained in the Health parameters matrix that is listed separately.

MASTER PARAMETERS MATRIX

	Transformational Development (TD) States Sectoral Objectives*													Fragile States (FS) Goals & Objectives*							
	Economic Growth			**Agriculture**			**Education**		**Democracy/Governance**						**Conflict**			**Stabilization**			
Country	Trade	Transparency /Accountability	Private Sector	Productivity	Policy	Trade	Basic Education	Job Skills	Anti-Corruption	Civil Society	Democratic Institutions	Marginalized Groups	Rule of Law	Political Processes	Peace Processes	Mitigation Capacity	Protection from Violence	Reintegration	Essential Services	Governance Reform	Economic Activity /Livelihoods
Angola															TBD						
Benin	X	X	X	2		3	X	X	ACI	H	H	L									
Burundi															TBD						
Djibouti																					
DROC															TBD						
Eritrea															TBD						
Ethiopia															TBD						
Ghana	X	X	X	2	3	1	X	X		H	H	L		L							
Guinea																			2	1	3
Kenya	X	X	X	3	2	1	X	X	ACI	H	H			L							
Liberia															TBD						
Madagascar	X	X	X	2	1				ACI	H	H			L							
Malawi	X	X	X	1	2	3	X	X	H	L	H										
Mali	X	X	X	1	2	3	X	X	H	L	H	H									
Mozambique	X	X	X	1	2	3			ACI		H										
Namibia																					
Nigeria		X		1		2	X	X	ACI	H	H			L	TBD						
Rwanda	X	X	X	2		1	X	X	ACI	H	H		H		TBD						
Senegal	X	X	X	1		2	X	X	H	H	H			L							
Sierra Leone															TBD						
Somalia															TBD						
South Africa																					
Sudan															TBD						
Tanzania	X	X	X	1	3	2	X	X	ACI	H	H										
Uganda	X	X	X	3	2	1	X	X	H		H			L	TBD						
Zambia	X	X	X	1	2	3	X	X	ACI	H	H			L							
Zimbabwe															TBD						

Green = TD State
Orange = Fragile State
Pink = Hybrid Country
Yellow = Middle Income Country
Blue = Strategic State

1 = high priority
2 = medium priority
3 = low priority

H = high priority
L = low priority
ACI = Anti-Corruption Initiative funded

***See "Endnotes" for further clarifications**

ENDNOTES:

AGRICULTURE

For a given country, the numbers in the objectives columns indicate the rank order for program focus determined by the Agriculture working group. For example, Ghana would be a high-priority country that could conduct programs under all three objectives; the working group would recommend that greatest emphasis in Ghana be given to the Trade objective (ranked 1), secondary emphasis be given to the Productivity objective (ranked 2), and least emphasis given to the Policy objective (ranked 3). In the case of Senegal, it is a country of less priority than Ghana and would receive a lower level of funding, with which it could conduct programs under the Productivity objective (ranked as its first priority) and the Trade objective (ranked as its second priority); it would not conduct programs under the Policy objective.

DEMOCRACY AND GOVERNANCE

1. An H in a particular cell indicates that the objective is a high priority in terms of the expenditure of DA resources to pursue work in that area.
2. An L indicates that the objective is of low priority for the expenditure of DA resources and, therefore, work in this area should only be pursued if alternative funding (e.g., ESF) is available.
3. ACI indicates that work under this area will be pursued using funds from the Anti-corruption Initiative.

ECONOMIC GROWTH

1. Any Agency or Bureau guidance to MCA eligible countries on how they are to adjust their programs in light of compacts, or likely compacts, supersedes any analysis by the EG SWG in terms of how the Missions EG program is to be affected.
2. Because of Nigeria's special position as a hybrid country (i.e., both a transformational development country and a fragile states country), its designation as a weak TD performer, and the impact of extractive industries on its economy, the Mission's TD EG work is to focus exclusively in governance issues, including macroeconomic reform.

FRAGILE STATES

1. The ordering of fragility SOs for Guinea was based on the recommendations of a recently completed fragility assessment.

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	Environment*	
Country	Biodiversity	Non-biodiversity
Angola	L	
Benin	L	
Burundi	L	
Djibouti		
DROC	M	L
Eritrea		
Ethiopia	L	L
Ghana	M	
Guinea	M	
Kenya	M	
Liberia	L	
Madagascar	H	
Malawi	M	L
Mali	L	M
Mozambique	M	L
Namibia	M	
Nigeria	M	
Rwanda	M	
Senegal	M	
Sierra Leone	L	
Somalia		
South Africa	L	M
Sudan	L	
Tanzania	H	
Uganda	H	
Zambia	M	
Zimbabwe		

Green = TD State
Orange = Fragile State
Pink = Hybrid Country
Yellow = Middle Income Country
Blue = Strategic State

H = high priority
M = medium priority
L = low priority

*See "Endnotes" for further clarifications

ENVIRONMENT PARAMETERS MATIX

ENDNOTES:

A. BIODIVERSITY

1. If the rating for a given operating unit is "High, Med or Low," then that Operating Unit should plan to conduct biodiversity conservation-focused activities. The level of funding the Bureau will provide for that purpose will be relative to the Bureau's overall Biodiversity Conservation funding level, which will be divided between operating units roughly according to this "High, Med and Low" rating scheme.

2. In Fragile States, regardless of the above prioritization, it is likely that the mission will only be asked to program biodiversity conservation activities if they are one of the logical responses to the sources of fragility identified in the mission's Fragility Assessment.

B. NON-BIODIVERSITY

1. If the rating for a given operating unit is "High, Med or Low," then that Operating Unit should plan to conduct activities that can be categorized as "non-biodiversity conservation NRM," "democracy/governance-focused NRM," or "environmental health" activities. The level of funding the Bureau will provide for that purpose will be relative to the Bureau's Environment funding level, minus that which is earmarked for biodiversity conservation. That "non-biodiversity conservation" environment funding will be divided between operating units roughly according to this "High, Med and Low" rating scheme.

2. In Fragile States, regardless of the above prioritization, it is likely that the mission will only be asked to program environment activities if they are one of the logical responses to the sources of fragility identified in the mission's Fragility Assessment.

YOUTH AND URBANIZATION PARAMETERS MATRIX

	Urbanization				Youth			
Country	Local Government Capacity	Economic Opportunities for the Poor	Environment	Community Health	Civil / Political Participation	Employment	Health Services	Social Safety Nets
Angola								
Benin	X	X	X	X	X	X		X
Burundi								
Djibouti								
DROC								
Eritrea								
Ethiopia	X	X	X	X	X	X	X	X
Ghana	X	X	X	X	X	X	X	X
Guinea								
Kenya	X	X	X	X	X	X	X	X
Liberia			X	X	X	X	X	X
Madagascar	X	X	X	X	X	X	X	X
Malawi	X	X	X	X	X	X	X	X
Mali	X	X	X	X	X	X	X	X
Mozambique	X	X	X	X	X	X	X	X
Namibia								
Nigeria	X	X	X	X	X	X	X	X
Rwanda	X	X	X	X	X	X	X	X
Senegal	X	X	X	X	X	X	X	X
Sierra Leone								
Somalia								
South Africa	X	X	X	X				
Sudan	X	X	X	X	X	X	X	X
Tanzania	X	X	X	X	X	X	X	X
Uganda	X	X	X	X	X	X	X	X
Zambia	X	X	X	X	X	X	X	X
Zimbabwe								
Green = TD State **Orange = Fragile State** **Pink = Hybrid Country** **Yellow = Middle Income Country** **Blue = Strategic State**								
*See "Endnotes" for further clarifications								

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ENDNOTES:

Because of the potential impact of these two huge demographic changes, Youth and Urbanization are issues that all missions are encouraged to consider for programming, particularly if the country has high rates of urbanization and low GDP growth and, for youth, a high percentage of youth ages 15-24. The prioritization tables for both Youth and Urbanization in fragile and transformational states provide information on the severity of the youth/urbanization problem which can help missions to make these assessments, although there may be better data available in country to make these determinations. However, those countries identified as high priority countries for intervention in the country prioritization tables for youth and urbanization [add reference here] *must* assess the problems and opportunities presented by youth and urbanization and either say how these will be addressed through their programming or say why youth and urbanization do now warrant intervention.

The parameter annex highlights only the highest priority countries for intervention in Sub-Saharan Africa based on available data. Because ideally youth and urbanization should be addressed in a holistic manner that cuts across the traditional USAID sectors, all of the objectives under youth and urbanization for highest priority countries are highlighted. However, missions will need to prioritize their interventions based on the funding available them and the relative needs within the country. For instance, a mission might have a very large health program with no economic growth program and therefore choose to prioritize health interventions for the large youth cohort in the country. Or a mission might have a small DG program and decide to focus on municipal governance as a way of promoting civic participation and supporting economic growth, health, and other cross-sectoral outcomes. Missions are encouraged to seek input from Africa Bureau technical staff when assistance is desired in making these determinations.

Illustrative indicators for measuring progress in addressing youth and urbanization issues are included in Annex I for Transformational Development states. The Fragile States indicators also include measures that can be used for youth and some urban interventions in fragile states. Missions can use these indicators or others that may be more applicable to the country context and programming.

HEALTH TRANSFORMATIONAL DEVELOPMENT PARAMETERS MATRIX

0 = not a priority; 1 = high priority, 2 = medium priority, 3 = low priority, N/A=not applicable

Country		Objective 1 HIV/AIDS	Objective 2 Infectious Disease			Objective 3 Child Health		Objective 4 Maternal and NewbornHealth	Objective 5 Family Planning
			TB	Surveillance	Malaria	Primary Cause	Polio		
1	Benin	3	3	0	2	2	1	3	3
2	Ghana	2	3	1	1	2	2	1	1
3	Kenya	1	1	0	2	3	3	3	1
4	Lesotho	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Madagascar	2	3	3	1	1	3	2	1
6	Malawi	1	1	0	1	2	3	2	1
7	Mali	2	3	2	1	1	1	2	1
8	Mozambique	1	1	1	2	1	2	1	2
9	Namibia	1	1	0	0	0	3	0	0
10	Nigeria	1	1	0	2	1	1	2	1
11	Rwanda	1	3	0	1	2	3	2	1
12	Senegal	2	2	3	1	2	2	1	2
13	South Africa	1	1	0	0	3	3	0	2
14	Swaziland	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	Tanzania	1	1	1	1	2	2	1	1
16	Uganda	1	1	1	1	1	2	2	1
17	Zambia	1	1	0	1	1	3	1	1
18	AFR/SD	2	2	1	2	2	1	2	2
19	REDSO	2	2	0	2	2	2	2	1
20	RHAP	1	0	0	0	0	0	0	0
21	WARP	2	0	3	1	2	2	2	1

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HEALTH FRAGILE STATES PARAMETERS MATRIX

0 = not a priority; 1 = high priority, 2 = medium priority, 3 = low priority

	Country	Objective 1 HIV/AIDS	Objective 2 Infectious Diseases			Objective 3 Child Health		Objective 4 Maternal and Newborn Health	Objective 5 Family Planning
			TB	Survei-llance	Malaria	Primary Cause	Polio		
1	Angola	2	2	0	1	2	1	3	2
2	Burundi	2	3	0	2	3	3	3	2
3	DR Congo	1	1	1	1	1	1	2	1
4	Cote D'Ivoire	1	3	0	0	3	2	0	3
5	Eritrea	2	3	3	1	2	2	2	2
6	Ethiopia	1	1	1	1	1	1	1	1
7	Guinea	3	3	3	2	2	1	3	2
8	Liberia	2	3	2	2	2	1	2	2
9	Nigeria	1	1	0	2	1	1	2	1
10	Rwanda	1	3	0	1	1	3	2	1
11	Sierra Leone	3	3	0	2	3	2	0	3
12	Somalia	3	3	0	0	3	2	3	0
13	Sudan	1	2	0	1	1	1	2	2
14	Uganda	1	1	1	1	2	2	2	1
15	Zimbabwe	1	3	0	0	3	3	3	2

PARAMETERS FOR HEALTH SECTOR PROGRAMS

A ranking of **1** indicates these Missions will receive highest priority for additional funding to support program expansion. These Missions are in countries that have scored high on need, as well as country performance, commitment and ability to scale-up and achieve impact. If additional funding becomes available, these Missions will have first priority for receiving them. Programmatically, these Missions are expected to continue and expand their current programs.

A ranking of **2** indicates these Missions are expected to maintain their sub-sector activities with currently available funds. If additional funds become available, these Missions would have access to the funding only after Missions given a 1 ranking received their allocations. Missions ranked 2 are in countries that have scored high on need and less well than priority countries on country performance, commitment and ability to scale-up.

A ranking of **3** indicates these Missions are of lower priority for receiving additional funding. These missions will be expected to maintain their programs without additional funds.

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